

City of Royal Oak, Michigan Recommended Budget

FY2018-19



Life Now Playing

**Royal Oak
Recommended Budget for
Fiscal Year 2018-2019**

Mayor
Michael Fournier



City Commissioners

Sharlan Douglas
Kim Gibbs
Kyle DuBuc
Randy LeVasseur
Patricia Paruch
Melanie Macey

City Manager

Donald E. Johnson

Director of Finance

Julie J. Rudd

Assistant Finance Director

Anthony C. DeCamp

The City of Royal Oak's 49th Commission and City Manager



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Kyle DuBuc
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Kim Gibbs
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Randy LeVasseur
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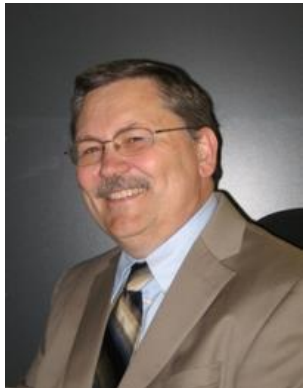
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City of Royal Oak

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Royal Oak MI 48067
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Executive Directors

Director of Finance – Julie Jenuwine Rudd
City Clerk – Melanie Halas
Director of Human Resources – Dennis Van de Laar
Director of Recreation & Public Service - Greg Rassel
Fire Chief – David Cummins
Assistant City Manager / Chief of Police – Corrigan O'Donohue
Treasurer – Jaynmarie Hubanks
Assessor - James Geiermann
Assistant Finance Director - Anthony C. DeCamp
Director of Community Development - Tim Thwing
City Attorney – David Gillam

Department Heads

City Engineer – Matt Callahan
Assistant Director of Community Development / Building Official - Jason Craig
Information Technology Manager – Mike Kirby
Library Director - Mary Karshner
Recreation Supervisor – John Fedele
Director of Planning – Joseph Murphy
Deputy Chief of Police – Michael Frazier
Deputy Chief of Police – Robert Reilly
Deputy Chief of Fire – James Cook
Deputy City Clerk – Deanna Braswell

44th District Court

District Court Judge – Derek Meinecke
District Court Judge – James Wittenberg
Court Administrator – Gary Dodge



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Royal Oak

Michigan

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

Executive Director

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BUDGET HIGHLIGHTS

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The fiscal year 2018-19 recommended budget provides for the resources that are needed to help accomplish the city objectives established prior to the administration's budget process. This recommended budget calls for a total city millage rate of 18.6234 (excluding DDA levy), an increase of 0.9845 mill due to the net effect of implementing a new drain debt millage of 1.1360 mills and slight reduction on the balance of the millages (except the fire debt millage). *See page 47 for millage rate details.* The millage rate of 18.6234 would put the city slightly above the average millage rate of Oakland County cities, but slightly above the median. This rate places the city below nine bordering cities with higher millage rates and above three bordering cities with lower millage rates. This claim is based upon fiscal year 17-18 city/village millage rates as cities/villages have not been adopted/reported as of the publication of the recommended budget. *See page 49 for the chart of the 31 Oakland County city/village 17-18 millage rates.*

Total city **taxable value** increased by 4.99%. Residential values increased 5.8%, and nonresidential increased 2.3%. *See pages 44-46 for taxable value details.* The spread between 2018 SEV and taxable value decreased to \$514 million, declining \$19 million from the prior year. *See page 46 for value details.* The Headlee rollback on Royal Oak's millage rates this year is 0.9911. The DDA's Headlee rollback is 0.9923 this year.

Across all funds, the city is budgeted to receive \$51,964,970 in **tax revenue** for fiscal year 18-19, an increase from the projected tax collection for fiscal year 17-18 by \$4.452 million. The increase is due to the implementation of a new drain debt millage that will generate \$2.852 million and the allowable increase in taxable value that was not offset by the Headlee reduction. The allowable inflationary factory on existing property is 2.1% for fiscal year 18-19. The new millage will be used to pay the drain debt and in turn allows the city to decrease the sewage disposal fee by over 14%.

Total grants are budgeted at \$13,300,860 across all funds, a small increase over the prior years estimated revenue. **State shared revenue** is budgeted to increase 1.7% / \$97,000 based upon the State of Michigan Treasury Department's published projections. Act 51 monies are budgeted at \$6 million which is flat relative to the relative to fiscal year 17-18.

Due to low interest rates, **interest income revenue** city-wide (excluding trust funds) is budgeted at \$1.1 million, which is relatively flat compared to fiscal year 17-18 however down over \$1.7 million from its peak in 06-07. Currently it is a rising interest rate environment however lower cash balances are anticipated. This once valuable source of income has significantly declined and is no longer relied upon as a significant resource to help off-set city operating costs. *See page 53 for funds interest revenue history graph.*

Personnel costs are increasing 7.2% / \$3.5 million relative to the fiscal year 17-18 projected, mostly due to increased wages and healthcare costs as well as the request for additional staff. Total full-time employees are budgeted to increase from 330 to 334 positions. However this total is down 32 positions relative to recent peak in fiscal year 05-06. The court has an increase of one staff member in order to continue to staff the drug court probation officer that was hired mid-year fiscal year 17-18 and funded with a grant. The court advises that they will receive another grant however since there is not a second grant awarded at this time, the grant revenue is not budgeted. The IT department is requesting to add a network engineer and a security analyst due to the significant need for those functions to be adequately addressed. The library is requesting a full-time IT specialist as well. *See page 37 for personnel summary recent history.* Wage related costs are increasing 6.9% / \$1.866 million mostly due to contractual wage increases, step increases for newer employees who are not at the top of their pay scale and vacant positions being filled. The budget provides for the contributions of 100% of the normal costs and the annual unfunded actuarial accrued liability (UAAL) for the police and fire pension. The ARC contribution for pension is required by law to be met. A graph in the "Financial Trends" section illustrates the magnitude of the combined pension / OPEB contributions and pension/OPEB bonds debt service that the city is funding in fiscal year 18-19. For the second year, the required contributions made toward paying the current year obligations do not exceed the general fund's millage revenue due to bonding the unfunded retiree healthcare liability and the general employees unfunded pension liability. *See graph on page 55.* The forecast in the budget is considered to be optimistic; providing the continuation of only the normal costs (and the current annual UAAL contribution for police and

fire pension). In the event investment income in the pension and OPEB trusts do not meet the assumed rate of return of 7.75% the trusts that bonded for pension and OPEB will be underfunded again and need additional contributions.

The budget includes nearly \$36.4 million in **capital improvements**. Typically the first year of the recently adopted capital improvement plan (CIP) is incorporated into the recommended budget when funding is available however there are exceptions for fiscal year 18-19 as there are many additional projects in the budget but not in the CIP – these are noted in the significant notes area. The city's capital improvement budgets provide \$3.983 million for major road capital improvements, \$6.698 million for local road capital improvements, \$4.249 million for water/sewage system improvements, \$1.844 million for replacement motor pool fleet, \$18.5 million for the completion of the ROCC parking garage, \$241,000 for various IT equipment, \$227,000 for a rain garden, \$185,000 for fire department turn-out gear, radio replacement and EKG monitor replacement, \$130,000 for library roof panel replacement, \$75,000 for ice arena condenser tower, \$50,000 for cement work at the court, \$90,000 for elections high speed scanner, \$48,000 for farmers market outdoor heating equipment and awning and \$537,000 for various park projects. The ROCC project will be paid out of a capital projects fund and is not listed in this total. Detailed listings of all capital improvements are included in each fund/cost center significant notes section (orange box) in this document. The capital projects and the descriptions that are reported in the adopted FY2018-19 to FY2023-24 Capital Improvement Plan can be found behind the "Capital Improvement" tab in this budget document. With the exception of park projects, the forecasted years in this document include

capital projects that are in the CIP that can cause an occasional fund forecast to show fund balance levels below policy and even negative balances. *See budget summary tables within each fund section.*

New **debt** issuances for the city are accomplished in fiscal year 17-18 (road bonds, city hall/PD/central park bonds and parking structure revenue bonds) and there are no new issuances anticipated in fiscal year 18-19.

The water commodity rate will increase 2% and the sewer disposal rate will decrease 14.6% based upon using the new drain debt revenue source to help to offset passing along the increase for water from SOCWA (2.55%) and sewer disposal from Oakland County Water Resources (1.6%) . The city's quarterly billing flat fee will remain at \$11.25 to recoup billing costs.

The **unassigned fund balance** for the general and public safety funds (combined) is budgeted to decline from the current year's projected 36% of expenditures to 25%. These two funds' fund balances are viewed as combined since the public safety function continues to be a significant expenditure of the general fund due to the sizeable annual transfer (\$19 million) made to the public safety fund. By fiscal year 22-23, the combined fund balance is projected to be 18%, and continue to decline each year thereafter due to the potential structural deficit. Each fund has an estimated/forecasted fund balance through fiscal year 2022-23 in the budget summary table. *See page 54 for unassigned fund balance history and page 60 for future projected balances.*

Please reference the significant notes section (orange boxes) within each fund/cost center for details and noteworthy program information for fiscal year 18-19.

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City of Royal Oak

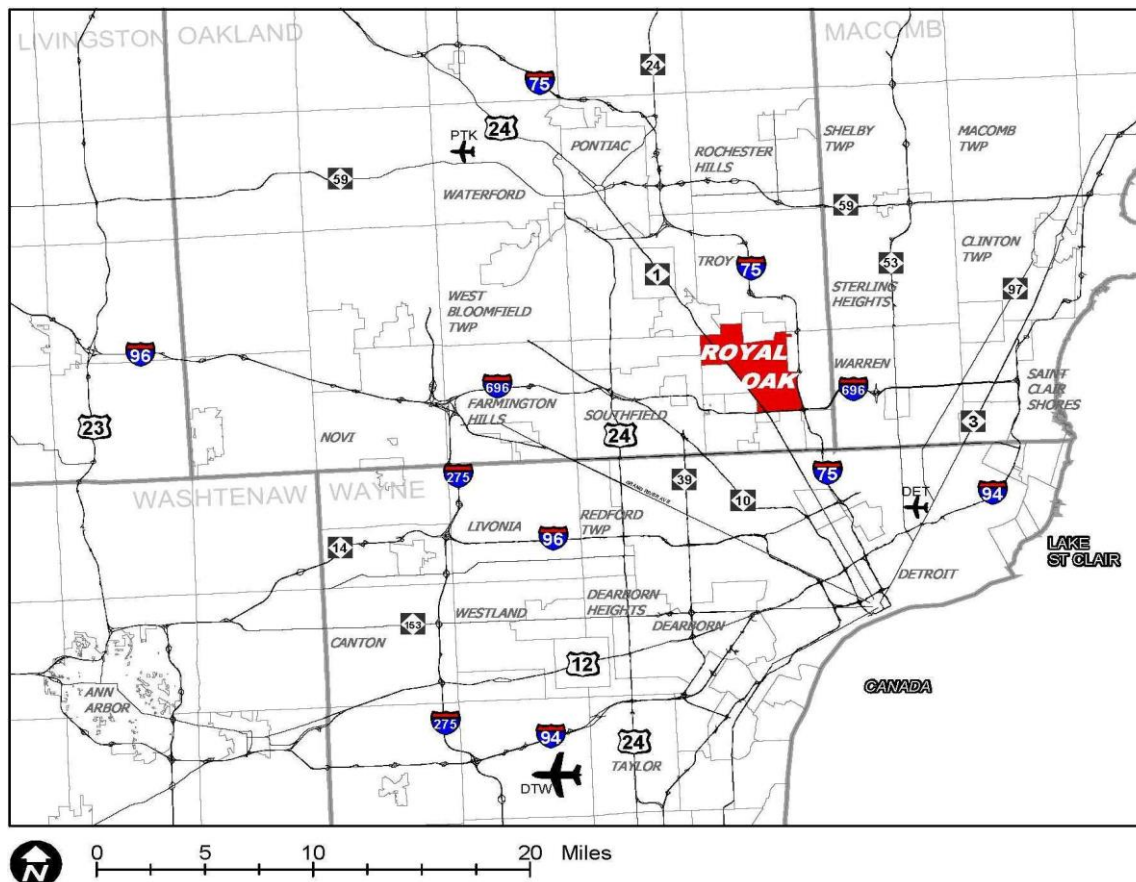
The City of Royal Oak is located in southeast Oakland County, Michigan. The city's 11.83 square miles has a population of approximately 57,236 according to the 2010 US census. Flanked by I-75 on the east border, I-696 on the south and Woodward Avenue (M-1) on the west side, the city has excellent highway access for residents and visitors alike. Approximately 15 to 20 miles northwest of downtown Detroit, businesses and residents have easy access to the Ambassador Bridge and the Detroit-Windsor tunnel, the busiest international crossings between the United States and Canada.

The City of Royal Oak has operated under the "council manager" form of government since its incorporation on November 8, 1921. This form of government provides that the city commission act as the legislative or policy making body. The city commission is composed of six commissioners and

a mayor elected by the city-at-large on a nonpartisan ballot. Three commissioners are elected to four-year terms every two years to ensure experienced legislators at all times. The mayor is elected for a two-year term.

The city commission enacts ordinances, resolutions and regulations governing the city. City commission also appoints members of various statutory and advisory boards and commissions, and the city manager.

The city manager is the city's chief administrative officer and, as such, is held accountable for planning, coordinating, directing and executing all of the city's operations in a manner prescribed by law and conforming to the general policies and specific directives of the commission. The city manager also appoints and supervises the heads of departments of the city. *See statistical section for additional city information.*





VISION STATEMENT

To be a dynamic balance of progressive vision and traditional values offering an inviting, premier and diverse community for all.

MISSION STATEMENT

Our mission is to provide a safe, healthy and sustainable community.

City of Royal Oak Commission Goals and Objectives Fiscal Year 2018-2019

Goal 1: Infrastructure - To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services

Objective 1 Complete the Civic Center Project

Complete financing for the ROCC, including the contract with the DDA and work through the Underwriters

Measures – executed contract with the DDA; secured financing

Sell the bonds at a reasonable rate

Measure – bonds sold at a rate in line with market rates for the city's bond rating

Finalize the design and bid out the project

Measure – Construction and bid documents prepared by spring 2018

Complete the staging plan and rollout to the community

Measure – documented staging plan on city/project website by spring 2018

Establish a transition or movement plan as departments need to plan on moving from the old facility to the new complex

Measure – number of departments with a formal transition plan by the end of fiscal year

Establish deadlines and a timetable for staff as the program unfolds, and make that public as well

Measure – deadlines published on website; actions met within established timeframes

Deal with any legal challenges as they emerge

Measure – 100% success in defense of legal challenges

Objective 2 Address critical infrastructure needs

Place a sidewalk funding millage on the November ballot.

Measure – ballot language approved by city commission by June 1, 2018

Provide information on the street/sidewalk improvement plans to the public

Measure – number of locations that information on the street/sidewalk improvement plans are available at the beginning of construction season.

Seek a county commitment to require the twelve local government units in the drainage area to reduce drainage flows to downstream communities.

Measure – number of upstream communities participating in reduction efforts

Develop a city-wide environmental sustainability plan to link together the range of infrastructure plans and projects that are unfolding

Measure – RFP distributed; sustainability plan drafted and adopted by city commission

Goal 2: Operations – To perform all city operations as efficiently and effectively as possible. This includes, but is not limited to internal communications, technology, innovation and financial management

Objective 1 Attract, retain and develop our human resources

Develop senior level succession plans to anticipate near term retirements, and over time, develop succession plans for all levels of staff, providing opportunities for employee development, including a potential for job sharing as departures become imminent

Measure – number of departments with succession plans by the end of the fiscal year

Identify critical problem areas in city service operations and develop strategies to address those problem areas

Measure – total increase in citizen satisfaction scores across all departments

Maintain financial stability to assure employees of job security; Complete the ROCC to strengthen recruitment efforts; Build up employee morale

Measure – decrease in turnover rates across all departments

Implement a Disney customer service refresher course for new employees

Measure – the total number of employees who have participated in a Disney Customer Service Training

Goal 3: Communication - To proactively promote meaningful, open and respectful dialogue that ensures effective decision making

Objective 1 – Limit the effects of downtown construction, to the best extent possible, by providing proactive communication on the ROCC project status

Identify a team to provide information to the public about the ongoing project, and consider hiring a public relations firm to help with task

Measure – PR proposal presented to city commission

Prepare an overall communication plan to tie all the tasks being undertaken together and make sure that it is communicated to all employees as well as with the public

Measures – Plan drafted; number of places the plan is accessible to the public prior to the start of construction

Prepare and disseminate a FAQ on the website regarding the ROCC including the tasks, the staging plan, the timetable and any other information of value to the community, keeping it updated as changes need to be made

Measure – total number of people accessing and viewing the FAQ document

Provide information to the public on the conditions of the existing buildings/facilities so they understand the rationale for the ROCC

Measure – quantity and quality of information available to the public on the city's website

Objective 2 - Employ multiple media for sharing information with residents

Enhance the City App to provide additional opportunities for both information outflow as well as inflow; Communicate across multiple platforms to the extent feasible; Utilize neighborhood associations where appropriate to inform residents and solicit input

Measure – increased downloads of the Royal Oak App; number of neighborhood associations contacted with city information

Ensure simplicity and clarity of all communications from the city, ensure that the community engagement specialist is in a position to understand and explain policies to the public

Measure – increased citizen satisfaction as measured by the community surveys

Objective 3 - Engage residents more effectively in city decision-making

Increase promotion of the city website, get the URL out in the public and on social media

Measure – the total increase in visits to the city website

Create special URL's for special projects to simplify public access

Measure – total number of special projects with unique URLs

Explore establishing a Citizens Academy Program along the lines of the Citizens Police Academy to help individuals understand how the city does its business

Measure – developed proposal for a Citizens Academy Program; attendance at the program

Goal 4: Community - To preserve neighborhoods by encouraging community involvement and family activities; and further, to be recognized as a destination for entertainment, recreation and cultural opportunities

Objective 1- Complete a Master Plan revision that is reflective of the community's vision for the future.

Schedule a commission work session for the coming weeks to engage members of the planning commission and appropriate administrative staff to consider whether the city should proceed with a complete revision of the master plan and subsequent revision of the zoning ordinance.

Measure – scheduled work session by spring 2018

Complete a community visioning plan with a high quality (platinum, rhodium) public engagement effort as the master plan planning process unfolds

Measure – number of citizens engaged in the vision planning process

Objective 2 – Develop high quality parks

Complete the Normandy Oaks Park plan

Measure – approved Normandy Oaks Park plan with cost estimates; implementation of the NO Park plan

Continue to revamp city parks yearly

Measure – number of city parks renovated yearly

Goal 5: Economic / Tax Base - Encourage and support diverse investment to maximize property values and facilitate employment opportunities and desirable housing

Objective 1 - Facilitate Private Sector Development

Provide incentives for housing developments that meet gaps identified in the Target Market Analysis

Measure – number of housing developments receiving incentives for meeting gaps

Goal 6: Fiscal Management - To preserve Royal Oak as a safe and healthy community through sound fiscal policy, strategic planning, prompt decisive actions and effective management of taxpayer's assets

Objective 1 – Ensure city financial sustainability

Take advantage of a DNR grant for development of Normandy Oaks Park

Measure – application for DNR grant submitted on time (April 1);

Aggressively pursue grant opportunities, employing a cost-benefit analysis to ensure that grants are financially appropriate

Measure – number of grants secured that cover costs for projects, including administration

Review and update service fees every two years to insure costs are covered

Measure – number of service fees reviewed by the end of the fiscal year

Continue process for establishing ROOTS as a 501(c)3 entity

Measure – established board for the ROOTS 501 (c)3; adopted ordinance changes by end of FY2017-18

Goal 7: Public Safety - To protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner

Objective 1 - Improve mobility in and around the city

Implement a north-south bike route

Measure – construction completed on time and budget by winter 2018

Investigate options for a snow removal ordinance

Measure – proposal for a snow removal ordinance considered by the city commission

GENERAL APPROPRIATIONS ACT

BE IT RESOLVED, this and the following nine resolutions constitute the City of Royal Oak's General Appropriations Act for the fiscal year beginning on July 1, 2018 and ending on June 30, 2019.

RESOLUTION 1: BUDGET RESOLUTION

BE IT RESOLVED, the 2018-2019 City of Royal Oak budget for each fund is hereby appropriated as follows:

General Fund

General Government	12,118,640
Community and Economic Development	651,040
Health and Welfare	0
Public Safety	443,900
Public Works	1,430,120
Recreation and Culture	1,761,180
Transfers Out	26,049,170

Expenditures Total**42,454,050**

Taxes	19,309,700
Licenses and Permits	2,037,000
Grants	5,601,180
Charges for Services	2,905,050
Fines and Forfeitures	5,100,000
Interest and Rentals	869,000
Contributions and Donations	0
Reimbursements	252,000
Other Revenues	60,000
Transfers In	1,012,000
Use of Fund Balance	5,308,120

Revenues, Transfers and Use of Fund Balance**42,454,050****Major Streets Fund**

Expenditures Total	5,863,080
Revenues, Transfers and Use of Fund Balance	5,863,080

Local Streets Fund

Expenditures Total	10,400,440
Revenues, Transfers and Use of Fund Balance	10,400,440

Public Safety Fund

Expenditures Total	30,742,810
Revenues, Transfers and Use of Fund Balance	30,742,810

Publicity Tax Fund

Expenditures Total	64,180
Revenues, Transfers and Use of Fund Balance	64,180

Solid Waste Fund

Expenditures and Contribution to Fund Balance	7,606,280
Revenues and Transfers	7,606,280

Brownfield Redevelopment Authority

Expenditures Total	340,270
Revenues Total	340,270

DDA - Development Fund

Expenditures Total	3,570,000
Revenues, Transfers and Use of Fund Balance	3,570,000

DDA - Operating Fund

Expenditures Total	57,960
Revenues, Transfers and Use of Fund Balance	57,960

Library Millage Fund

Expenditures Total	2,813,710
Revenues, Transfers and Use of Fund Balance	2,813,710

CDBG Fund

Expenditures Total	2,201,270
Revenues, Transfers and Use of Fund Balance	2,201,270

State Construction Code Fund

Expenditures Total	1,912,500
Revenues, Transfers and Use of Fund Balance	1,912,500

ROOTS Fund

Expenditures Total	56,000
Revenues, Transfers and Use of Fund Balance	56,000

Senior Citizen Services Fund

Expenditures Total	857,780
Revenues, Transfers and Use of Fund Balance	857,780

Animal Shelter Fund

Expenditures Total	127,170
Revenues, Transfers and Use of Fund Balance	127,170

Police Grants Fund

Expenditures Total	269,000
Revenues, Transfers and Use of Fund Balance	269,000

Miscellaneous Grants Fund

Expenditures Total	299,550
Revenues, Transfers and Use of Fund Balance	299,550

RESOLUTION 2: SET TAX RATE

RESOLVED, the general operating levy for the 2018-2019 fiscal year for operations is established at 7.1389 mills, and

BE IT FURTHER RESOLVED, the property tax rate for the 2018-2019 fiscal year for the publicity tax is established at 0.0180 mill. and

BE IT FURTHER RESOLVED, the property tax rate for the 2018-2019 fiscal year for the library operations is established at 0.9263 mill. and

BE IT FURTHER RESOLVED, the property tax rate for the 2018-2019 fiscal year for the solid waste disposal operation is established at 2.9084 mills, which consists of 1.9465 mills authorized by state law and 0.9619 mill authorized by the voters of the City of Royal Oak, and

BE IT FURTHER RESOLVED, the property tax rate for the 2018-2019 fiscal year for the fire bonded debt is established at 0.2450 mill, and

BE IT FURTHER RESOLVED, the property tax rate for the 2018-2019 fiscal year for the chapter 20 drain debt is established at 1.1360 mills, and

BE IT FURTHER RESOLVED, the property tax rate for the 2018-2019 budget recommended by the Downtown Development Authority for the area designated by ordinance as the downtown district is established at 1.6022 mills, and

BE IT FURTHER RESOLVED, the 1.6022 mills levy for the downtown district is in addition to the millage applicable to properties outside of the downtown district and

BE IT FURTHER RESOLVED, the property tax rate for the 2018-2019 fiscal year for the road millage is established at 2.4134 mills and

BE IT FURTHER RESOLVED, the property tax rate for the 2018-2019 fiscal year for the public safety operations is established at 3.8374 mills and

BE IT FINALLY RESOLVED, the public safety millage, chapter 20 drain millage and road millage are to be levied on the winter tax bill.

RESOLUTION 3: AUTHORIZE TAX ADMINISTRATION FEE

BE IT RESOLVED the City of Royal Oak approves the imposition of a 1% administration fee on property tax levied in 2018, and

BE IT FURTHER RESOLVED the City of Royal Oak approves the imposition of late interest penalty charges as follows: On summer taxes at the rate of one-half of one per cent per month, or fraction thereof, after July 31 until February 28; on December taxes at the rate of 3% after February 14 until February 28, 2019.

RESOLUTION 4: WATER AND SEWAGE DISPOSAL RATES

BE IT RESOLVED that the water and sewage disposal rates for the City of Royal Oak as of July 1, 2018 are established as follows:

Billing administrative flat fee	\$11.25 per billing period
Water & sewer commodity charge	\$105.50 per mcf for first 2 mcf per billing period \$121.30 for additional mcf per billing period
Outside city water only commodity charge	\$54.00 per mcf for the first 2 mcf per billing period \$62.10 for additional mcf per billing period
Sewer only charge	\$178.96 per quarter

BE IT FURTHER RESOLVED industrial surcharge and industrial waste control charges will be passed along to customers as a pass-through.

RESOLUTION 5: PURCHASES

WHEREAS, the City of Royal Oak finds it necessary to incur utility, postage, and other expenses provided by natural or regulated monopolies, and other sole source providers in order to operate the city, and

WHEREAS, it is impossible to estimate the charges to be incurred for each succeeding month, and

WHEREAS, these charges can and do exceed one thousand dollars for each billing period;

NOW, THEREFORE, BE IT RESOLVED, the city administration is authorized to place orders for and make payment of these expenses, and such authorization forgoes the requirement of presenting these bills to the commission prior to authorization for purchase and/or payment;

FURTHER RESOLVED, this resolution shall apply to electric, telephone, water, natural gas utility, postage charges, and other goods/services provided by natural or regulated monopolies or sole source providers.

RESOLUTION 6: PURCHASING

WHEREAS, pursuant to chapter three, section 34 of the Royal Oak city charter, the city commission shall set a purchasing limitation by resolution, adopted at the same time the annual city budget is approved.

NOW, THEREFORE, BE IT RESOLVED, the city establishes that no purchase in excess of \$10,500 be made without the approval of the city commission and pursuant to chapter fourteen, section 2. Public work or improvement costing more than \$25,000 and executed by contract, shall be awarded to a responsible bidder in competition for fiscal year 2018-2019.

RESOLUTION 7: TRANSFERS

NOW, THEREFORE, BE IT RESOLVED, the finance director is hereby authorized to transfer up to 25% of the major street fund monies to the local street fund during the 2018-2019 fiscal year. The finance director is also authorized to make transfers within appropriation centers. All other transfers between funds may be made only by further action by the city commission.

RESOLUTION 8: PEG FEES

NOW, THEREFORE, BE IT RESOLVED, the city commission hereby grants Community Media Network 1/2 of the 1% P.E.G. fee received during the 2018-2019 fiscal year.

RESOLUTION 9: FINANCIAL POLICIES

WHEREAS, the City of Royal Oak has established a set of financial policies

AND WHEREAS, it is prudent to regularly review and update those policies and to add new ones as needed.

NOW, THEREFORE, BE IT RESOLVED, the city reaffirms its existing financial policies on attrition, investments, retirement contributions, debt management, fund balance, capital assets and capital improvements projects, and fund self-supporting.

CITY OF ROYAL OAK FY 2018 – 2019 Budget Procedures

The City of Royal Oak's budget process is governed by the city charter and state statutes of Michigan. Chapter eight, "general finances, section 1" of the city charter establishes July 1 through June 30 as the city's fiscal year.

Budget Document

The city charter, as approved by the voters on November 8, 1921 and last amended November 8, 2016, and the State of Michigan Uniform Budgeting Act (Public Act 621 of 1978), which amended the Uniform Accounting Act (Public Act 2 of 1968), mandate that the budget document present a complete financial plan for the ensuing fiscal year and shall present the following:

- (a) An itemized statement of the appropriation recommended by the manager for current expenses and for permanent improvements for each department and each division thereof, for the ensuing fiscal year, with comparative statement, in parallel columns, of the appropriation and expenditures for the current and next preceding fiscal year and the increases and decreases in the appropriation recommended;
- (b) An itemized statement of the taxes required and of the estimated revenue of the city, from all other sources, for the ensuing fiscal year, with comparative statements of the taxes and revenues for the current and next preceding fiscal year;
- (c) A statement of the financial condition of the city and an inventory of all property owned by the city; and
- (d) Such other information as may be required by the commission.

Budget

As required by the city manager, each department head must submit to the city manager an itemized estimate of expenditures for the next fiscal year for the department or activities under their direction.

The city manager then prepares a complete itemized budget proposal for the next fiscal year and must

present a balanced budget to the city commission not later than 30 days before the end of each fiscal year. Prior to the adoption of the budget, a public hearing on the budget must be held to inform the public and solicit input and comments from residents. A public notice, published in a newspaper of general circulation in the community, announces the time and place of the meeting and the availability of the budget document for review.

Budget Appropriation and Amendments

The city budget is adopted by the city commission on a functional basis. The finance director is authorized by budget resolution to transfer up to 25% of major street fund monies to the local street fund during the fiscal year and to make transfers within appropriation centers. All other transfers between funds may be made only by further action by the city commission.

The commission may make additional appropriations during the fiscal year for unanticipated expenditures required of the city. The city commission may also re-appropriate funds among appropriation centers. By way of an annual budget resolution, the city commission authorizes the finance director to administratively adjust line-item budgets within a fund and appropriation centers.

Basis for Budgeting

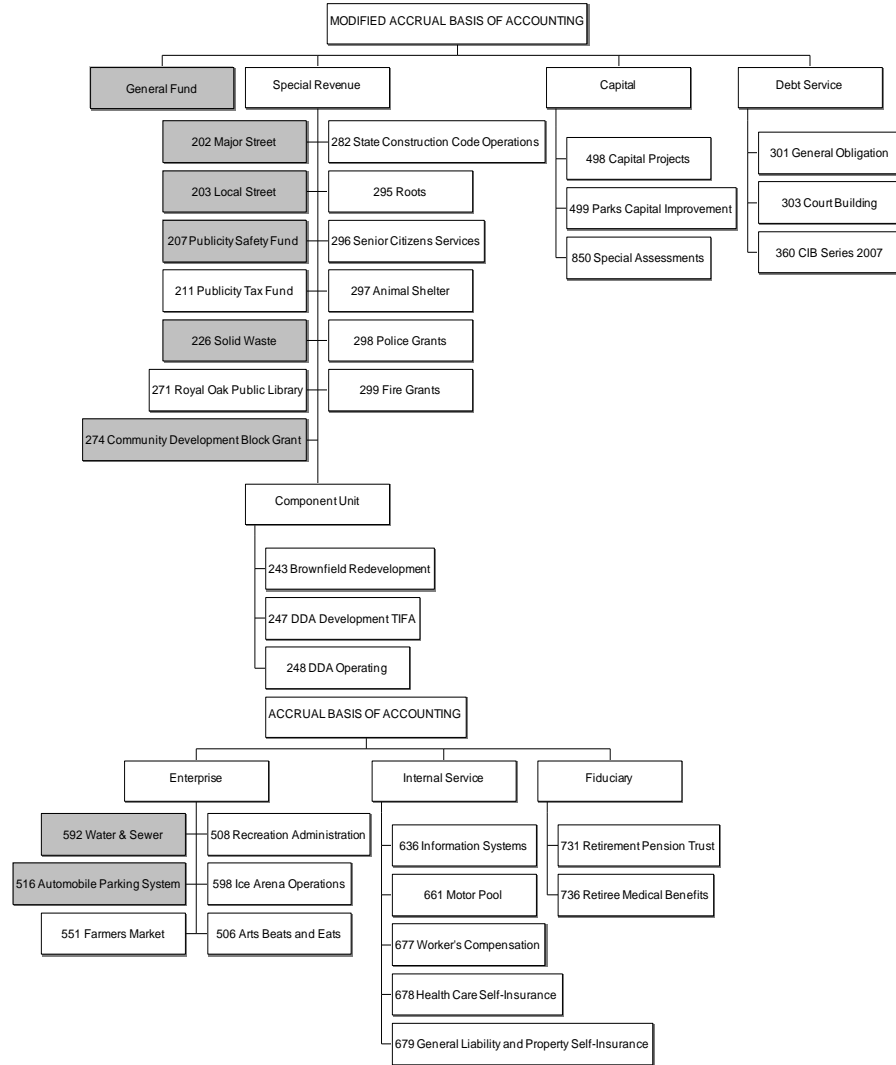
The modified accrual basis of budgeting is utilized in the preparation of the *governmental* fund types. Expenditures, with the exception of debt service expenditures, compensated absences, claims and judgments, are recorded at the time the liability is incurred. Revenues are recorded when received as cash, with the exception for material or available revenues that are accrued to properly show revenues earned and/or levied taxes. The accrual basis of accounting is utilized for the internal service and enterprise funds budgets which are not officially adopted, but included in this document.

The budget is prepared in accordance with Generally Accepted Accounting Principles (GAAP).

FY 2018-2019 BUDGET CALENDAR

November	Finance department requests capital improvement plan submittals
January	Finance department develops initial personnel costing and finalizes the draft capital improvement plan
January 20	Special city commissions strategic planning (goals & objectives) session
January (late)	Finance sends personnel costing detail to departments for their review/approval
February 9	Motorpool and IT department requested budgets are due to finance dept
February (mid)	IT and motor pool cross-charge rates are reviewed by finance department and entered into user dept budgets
February 16	Deadline to submit department requested budgets to finance department – includes department description, goals, objectives, future performance measures, operating & capital budgets, projects 17-18 year-end revenues & expenditures, any relevant forecast information and significant notes
March 13	Capital improvement plan adopted by planning commission
March	Finance reviews and compiles departmental budget requests presentation for city manager
March 27 - 29	Departments and finance meet with city manager to present budgets
April 9	City manager relays to the finance department any last changes to the dept requested budget
April 11-30	Finance department compiles proposed budget document/city managers recommended budget
May 11	Proposed budget documents are distributed to city commissioner and made available to the public (library and website)
May 15, 23, 24	Special city commission budget workshop meetings
May (late)	Finance department makes any city commission changes (developing out of city commission workshops) and if necessary prepares changes for the final budget resolutions
June 11	City commission conducts public hearing and adopts budget (with any revisions to the city manager's recommended budget)
June 12 - 28	Finance department prepares adopted budget document
June 29	Final adopted budget document is printed and posted to the city's website
July – June	Finance department monitors budget and performs budget amendments when appropriate

Financial Organization Chart



Shaded funds are major funds. Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding

totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds. Any other fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

Attrition Policy

Policy on Attrition

Purpose:

The City of Royal Oak is facing revenues that are not sufficient to necessarily meet operating and capital needs and needs to further reduce its staffing levels in order to maintain a balanced budget.

Policy:

All City of Royal Oak full-time positions except sworn police and fire positions that become vacant, for any reason, may only be filled with specific approval from the city commission. Such approval shall only be granted when it can be clearly established that it will cost more to not fill a position than it will cost to fill a position or when the position is unique and no other employee can perform a critical function.

[Adopted 06/02/2008]
[Reaffirmed 06/12/2017]

Capital Asset Policy

Capital Asset Policy

Capital assets are assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized once projects are placed in service. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and renovations	25 to 50
Improvements	10 to 20
Infrastructure	15 to 50
Vehicles	5 to 8
Equipment	5 to 15
Intangibles	10

[Adopted 04/06/2009]
[Reaffirmed 06/12/2017]

Capital Improvement Project Policy

Capital Improvement Project Definition

Capital improvement projects are any project or physical improvement that results in a permanent addition to the city's capital assets or revitalization/improvement that extends a capital asset's useful life or increases its usefulness or capacity. Qualifying projects must have an estimated cost of \$10,000 or more and an estimated useful life in excess of three years. Examples include:

1. New and expanded physical facilities for the community
2. Renovation, reconstruction, repair or major maintenance to existing facilities
3. Equipment for any public facility or improvement when first erected or acquired
4. Major landscape improvement
5. Utility modification
6. New construction project
7. Public improvement projects (road and park improvements, curbs and gutters, drainage improvements, sidewalks/bikeway/path projects, etc.)

A capital improvement is not a recurring capital outlay item (such as a motor vehicle) or a maintenance expense (such as fixing a leaking roof or painting park benches). Acquisition of equipment is not a capital project unless it is an integral part of the capital project.

Explanations of the option **type of project** are as follows:

Replacement: Existing improvements that are deteriorated and need to be replaced and/or upgraded to continue to provide service and to meet current codes and regulations.

Expansion: New improvements that are growth-related and/or based on projected development.

Economic vitality and diversity: This includes construction of improvements for promotion of economic vitality and diversity and to eliminate and prevent the spread of blight and deterioration to the city.

Explanation of the options for **project priority** are as follows:

Emergency: The project is urgent and must be completed as soon as possible. This could be a temporary or permanent repair to major equipment, facilities or infrastructure. The project must be complete to protect the health, safety or welfare of the community.

Regulatory requirement: The project is required by new legislation, federal guidelines, codes or regulations. The city may be fined if the project is not implemented.

Correct existing deficiencies: The project corrects an existing deficiency to keep the facilities or infrastructure from becoming an emergency situation. If the project is not implemented, the health, safety and welfare of the community may be endangered in the near future.

Near-term capacity need: The project expands the capacity of equipment, facilities or infrastructure to accommodate increasing demand. Failure to address the project may create public inconvenience or an emergency situation.

Long-term capacity need/master plan: The project is identified in the city's master plan(s).

Availability of funds: The project is addressed if there is enough outside funding.

[Adopted 04/06/2009]
[Reaffirmed 06/12/2017]

Debt Management Policy

Background: Debt management policies are written guidelines and restrictions that affect the amount and type of debt issued, the issuance process, and the management of the city's debt portfolio. A debt management policy improves the quality of decisions, provides justification for the structure of debt issuance, identifies policy goals, and demonstrates a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a debt management policy signals to rating agencies and the capital markets that a government is well managed and should meet its obligations in a timely manner.

Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. An effective debt management policy provides guidelines to manage its debt program in line with those resources.

Objective: To manage the debt portfolio to finance all necessary capital improvements while being fiscally responsible with the taxpayer's money in a conservative and prudent manner.

Debt manager and disclosure agent: The director of finance is the debt manager for all items involving debt management. The debt manager is the disclosure agent responsible to develop and conduct an investor relations program and is the person authorized to speak externally on behalf of the city concerning debt. His/her duties include the filing of all

public records to meet federal and state legislation. He or she may appoint a member(s) of staff or consultant to assist in carrying out this mission.

The debt manager shall review this policy at least annually and recommend revisions as necessary.

Policy:

1. The city shall exhibit purposeful restraint in incurring debt.
2. The city shall refrain from issuing short-term debt which requires repeated annual appropriation.
3. Long-term debt will not be used for operations with the exception of legacy costs.
4. Long-term debt will be confined to capital improvements and legacy costs that cannot be financed from current revenue.
5. The payback period of the debt will not exceed the expected useful life of the project.
6. Total city debt, including loans and contractual obligations (e.g. George W. Kuhn Drain debt), will not exceed ten percent (10%) of the total taxable valuation of taxable property.
7. The city will maintain good communications with bond rating agencies about its financial condition and will follow a policy of full disclosure on every financial report and bond prospectus.
8. The city will strive to have a minimum bond rating of AA-, or the equivalent, with at least two (2) qualified bond rating agencies.

[Adopted 6/2/2008]
[Reaffirmed 06/12/2017]

Fund Balance Policies

Fund Balance Policy – General Fund

Purpose:

To ensure proper stewardship of the City of Royal Oak's financial resources, by maintaining the city's ability to:

1. Meet liquidity requirements for current and long-term obligations
2. Manage unexpected revenue shortfalls
3. Accept reasonable uninsured risks, where advantageous
4. Provide for unanticipated contingencies and emergencies
5. Provide for long-term budget and tax stabilization
6. Borrow funds at reasonable interest rates, when needed

Policy:

BE IT RESOLVED, that it shall be the policy of the City of Royal Oak to maintain an unassigned fund balance in the general fund at least equal to ten percent of budgeted expenditures but not more than twenty five percent of budgeted expenditures.

[Adopted 2/06/2006; Reaffirmed 06/13/2016]

BE IT RESOLVED, that it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the general fund shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 03/06/2006; Reaffirmed 06/12/2017]

Fund Balance Policy – Non-Major Enterprise Funds

Any transfers from any of the city's non-major enterprise funds (farmer's market, ice arena, and recreation administration) to the city's general fund be limited so as not to reduce the net non-capital assets of the non-major enterprise funds by more than twenty percent in any given fiscal year.

BE IT RESOLVED, that it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the non-major enterprise funds shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 03/06/2006; Reaffirmed 06/12/2017]

Fund Balance Policy – Auto Parking Enterprise Fund

WHEREAS, on February 6, 2006, in order to ensure proper stewardship of the city's financial resources, the city commission unanimously established a policy regarding the maintenance of a minimum unassigned fund balance in the general fund;

WHEREAS, after additional consideration, the city commission has determined that in order to further ensure proper stewardship of the city's financial resources, a policy should also be established to restrict the level of transfers from the city's parking fund to the city's general fund in any given fiscal year. Such a policy will ensure that the city will be able to

properly maintain the assets associated with the parking fund without having to draw upon the city's general fund.

THEREFORE, BE IT RESOLVED, that it shall be the policy of the City of Royal Oak that any transfers from the city's parking fund to the city's general fund be limited so as not to reduce the net non-capital assets of the parking fund by more than twenty percent in any given fiscal year.

[Adopted 12/04/2006; Reaffirmed 06/12/2017]

Fund Balance Policy – State Construction Code Fund

Purpose:

To help ensure the proper stewardship of the City of Royal Oak's financial resources and in an effort to stabilize the volatility of state construction code fund (as it is a public safety function) through economic downturns, a fund balance policy has been established.

Policy:

That it shall be the policy of the City of Royal Oak to maintain an unassigned fund balance in the state construction code fund not less than fifty percent of

budgeted expenditures but not more than one hundred and fifty percent of budgeted expenditures.

That it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the state construction fund shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 06/02/2013]
[Reaffirmed 06/12/2017]

Investment Policy

Policy:

It is the policy of the City of Royal Oak to invest its funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the city and complying with all state statutes governing the investment of public funds.

Scope:

This investment policy applies to all financial assets of the City of Royal Oak, except the financial assets of the retirement funds. The city's financial assets are accounted in the city's annual report and include:

- general fund
- special revenue funds
- debt service funds
- capital project funds
- enterprise funds
- internal service funds
- agency funds

Any new fund type established by the city, unless specifically exempted by the legislative body.

This investment policy applies to all transactions involving the financial assets and related activity of all the foregoing funds.

Objectives:

The primary objectives of the city's investment activities, in priority order, are:

Safety—Ensuring the safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner

that seeks to ensure the preservation of capital in the overall portfolio and will employ mechanisms to control risks and diversify investments regarding specific types of individual financial institutions.

Liquidity—The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Investment maturities shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures (payroll, accounts payable, etc.).

Return on investment—The investment portfolio shall be designed with the objective of attaining a market rate of return commensurate with the portfolio's level of investment risk and cash flow characteristics.

Diversification—The investment portfolio will be diversified by security type and institution so that potential losses on individual securities do not exceed the gains generated from the remainder of the portfolio.

Delegation of Authority to Make Investments:

Authority to manage the city's investment program is granted to the city finance director, hereinafter referred to as investment officer. This authority is derived from city charter Chap. 3, Sec. 24. No person may engage in an investment transaction except as provided under the terms of this policy and any procedures established by the investment officer. The investment officer may designate an employee to be

responsible for the day-to-day management of the portfolio, under the leadership of the investment officer, and to act on the investment officer's behalf in the absence of the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of any subordinate official.

Authorized Investments:

The City of Royal Oak, as a public corporation operating under the laws of the State of Michigan, is limited to investments authorized by Act 20 of the Public Acts of 1943, as amended (MCL 129.91 to 129.96). The city has approved investment in the following authorized investment instruments:

Bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.

Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the state under a rule or law of this state or the United States.

Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than two hundred seventy days after the date of purchase.

Repurchase agreements consisting of bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.

Bankers' acceptances of United States banks.

Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.

Mutual funds registered under the Investment Company Act of 1940, title I of chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. This mutual fund authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share. A mutual fund is not disqualified as a

permissible investment solely by reason of any of the following:

The purchase of securities on a when-issued or delayed delivery basis.

The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.

The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary and emergency purposes.

Obligations described in subsections 5.1 through 5.7 if purchased through an inter-local agreement under the Urban Cooperation Act, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, MCL 129.111 to 129.118.

The investment pools organized under the Local Government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150.

It is further understood that investments of certain bond proceeds may be restricted by covenants in the bond ordinances.

Authorized Financial Institutions and Brokers/Dealers:

Investments shall be made only through approved financial institutions and approved security broker/dealers and shall be selected to attain a market rate of return commensurate with the portfolio's level of investment risk and cash flow characteristics. The investment officer, or his/her delegate, shall be responsible for reviewing financial institutions' and broker/dealers' qualifications and deciding who is approved to conduct investment business with the city. The investment officer, or his/her delegate, shall maintain a list of the approved financial institutions and broker/dealers. All financial institutions and broker/dealers who desire to obtain approval for conducting investment business with the city must provide the investment officer or his/her delegate, with evidence of their creditworthiness and qualifications for doing business in this State. This evidence includes

audited financial statements, proof of National Association of Securities Dealers (NASD) certification (if applicable), proof of qualifications for doing business in Michigan, a signed agreement to comply with this investment policy (see Attachment A), and any other documents required by the investment officer or his/her delegate.

The investment officer or his/her delegate, shall conduct an annual review of the financial condition and qualifications of approved financial institutions and broker/dealers to determine if they should remain on the aforementioned list of approved institutions. Financial institutions and broker/dealers shall provide the investment officer or his/her delegate, with documents necessary for the review.

Safekeeping & Custody:

All trades, where applicable, will be executed on a cash basis or a delivery vs. payment (DVP) basis, as determined by the investment officer or his/her delegate. It shall be the responsibility of the investment officer, or his/her delegate, to determine which securities a third party custodian shall hold. A safekeeping receipt must evidence any securities held in safekeeping by a third party custodian.

All securities shall be properly designated as assets of the City of Royal Oak. Securities shall be in the name of the City of Royal Oak and shall name the specific fund from which the instrument was purchased.

Prudence:

In keeping with the investment officer's and his/her delegate's fiduciary responsibilities, investments shall be made with judgment and care, under circumstances then prevailing, in a manner consistent with that which persons of prudence, discretion, and intelligence exercise in the management of their own affairs. Investments shall be made for investment purposes, not for speculative purposes, considering the probable safety of the capital as well as the probable income to be derived.

The investment officer, or his/her delegate, acting in accordance with this policy and written procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely manner and

appropriate action is taken to control adverse developments.

Ethics & Conflicts of Interest:

Officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or that could impair their abilities to make impartial investment decisions. Officials and employees involved in the investment process shall disclose to the city manager, or confirm the absence thereof, any material financial interests in financial institutions or broker/dealers that conduct business within this jurisdiction. They shall further disclose, or confirm the absence thereof, any large personal financial/investment positions that could be related to the performance of this jurisdiction's portfolio. Officials and employees shall subordinate their personal investment interests to those of this city.

Internal Controls

The investment officer shall establish and maintain written procedures and internal controls for the operation of the investment program that are consistent with this investment policy. The internal control structure shall be designed to provide reasonable assurance that public funds are protected from loss, theft, or misuse and that the city complies with laws governing investment of public funds. These internal controls shall be reviewed annually by the independent auditor.

Reporting

The investment officer, or his/her delegate, shall prepare a monthly report of investment activity. The report shall be designed to provide a clear picture of the status of the current investment portfolio and to allow the city to ascertain if the investment activities during the reporting period conform to this investment policy. The monthly reports shall be maintained in the finance department and shall be available for review by the general public or by city officials. On an annual basis, the investment officer shall provide an annual report of investment activity to the city commission.

Adoption by City Commission

The city commission has adopted this investment policy by resolution on 11/16/98.

[Reaffirmed 06/12/2017]

Retirement (Pension) Contributions Policy

BE IT RESOLVED, the City of Royal Oak shall make pension contributions to the City of Royal Oak retirement system or its successor in accordance with the recommendation of an independent actuarial valuation which shall be conducted on an annual basis.

BE IT FURTHER RESOLVED, should the weighted average percentage contribution for unfunded actuarial accrued liability recommended by the actuary fall below 2%, the amortization period shall be reduced and the contribution recalculated until a further

reduction would result in a percentage in excess of 2% or until the amortization period is reduced to 20 years. This reduction in the amortization period shall be permanent.

BE IT FURTHER RESOLVED, should the unfunded actuarial accrued liability fall below zero, the overfunding credit shall be calculated using an amortization period of not less than 30 years

[Adopted 04/07/2008]
[Reaffirmed 06/12/2017]

Fund Self-Supporting Policy

Policy on funds being self-supportive

Purpose:

To acknowledge and document the expectation of which funds are sole supportive and which funds will accept and / or give fiscal transfers (gifts).

Policy:

Based on the type of fund and expectations the following list provides whether a city fund can accept or provide a fiscal transfer (gifts) between funds.

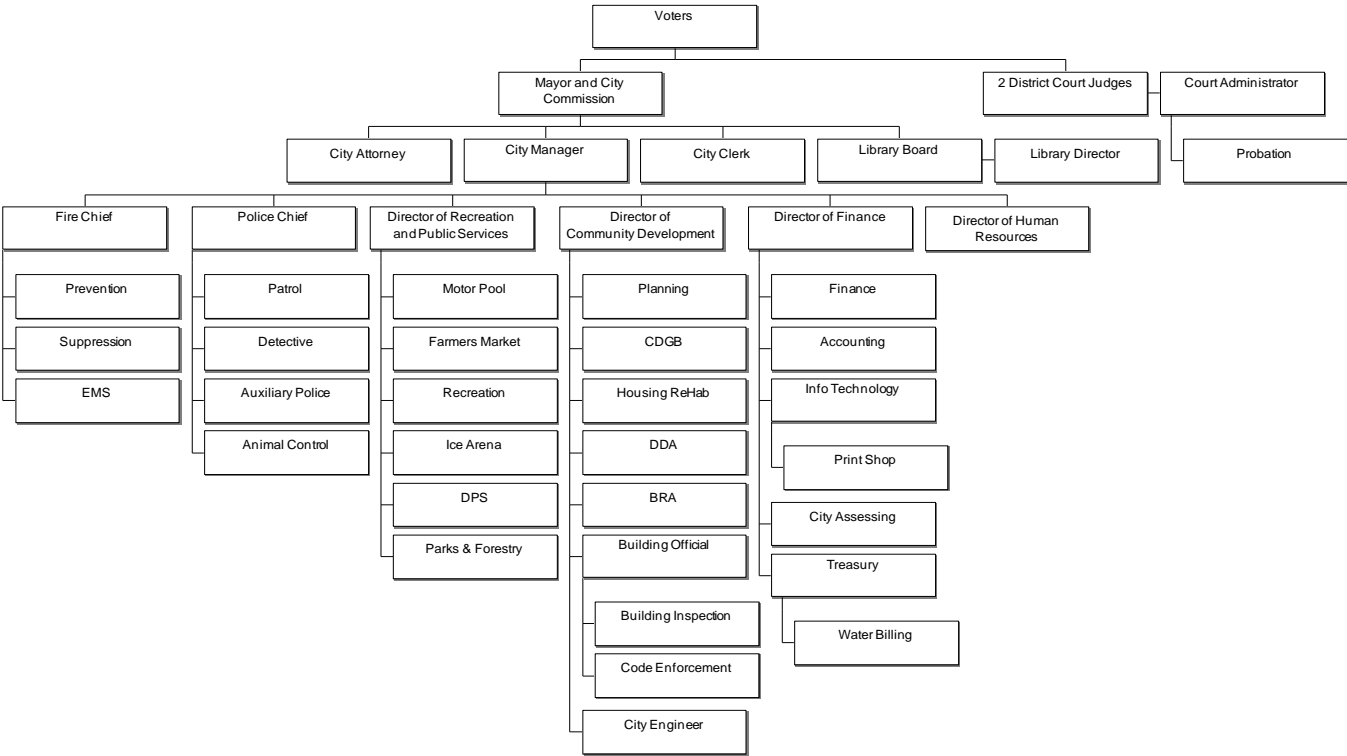
[Adopted 06/2014]
[Reaffirmed 06/12/2017]

General Fund
Major Road Fund
Local Road Fund
Public Safety Fund
Publicity Fund
Solid Waste Fund
Library Fund
Community Development Block Grant Fund
State Construction Fund
ROOTS Fund
Animal Shelter Fund
Police Grants Fund
Miscellaneous Grants Fund
Brownfield Fund
DDA Funds

Receive / Provide
Receive / Provide (Local Street Fund only)
Receive
Receive
Receive
Self-supporting
Receive
Self-supporting
Self-supporting
Receive / Provide
Receive
Self-supporting
Self-supporting
Self-supporting
Provide

Organizational Chart

City of Royal Oak



Authorized Full-time Employees by Function/Program*

Function/Program	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
44th District Court/Probation	20	20	22	22	29	29	*29	30
Administrative Services								
Manager	1.5	2.5	2.5	4.5	4.2	4.2	5	5
Attorney	2.5	2.5	3.5	3.5	3.8	3.8	4	4
City Clerk	4	4	5	5	5	5	5	5
Human Resources	2	2	2	3	3	3	4	4
State Construction Code	5	5	6	11	10.5	10.5	13.5	13
Ordinance Enforcement	2	2	5	5	5	5	5	5
Engineering	9	7	7	8	13	13	13	13
Community Development	4	3	3	3	3.5	3.5	3.5	4
Planning-Block Grant	2	1	1	0	0	0	0	0
Planning-Housing	1	1	1	1	1	1	1	1
Finance / Purchasing	5	5	5	6	7	7	7	7
Assessing	4	3	3	4	4	4	4	4
Treasurer / Water Billing	5	5	4	4	5	5	5	5
Information Systems	4	4	4	4	4	5	5	7
Economic Development	0	0	0	1	1	1	1	1
Subtotal	70	66	74	85	100	100	105	108
Library	11	10	10	9	8	8	8	9
Public Safety								
Police	77	81	96	97	98	98	98	98
Fire	56	56	56	56	56	56	56	56
Subtotal	133	137	152	153	154	154	154	154
Recreation & Public Services								
Public Service								
Parks & Forestry	8	7	7	7	7	7	7	7
Building Maintenance	2	2	2	2	2	2	2	2
Highway	0	0	0	0	1.5	1.5	2.5	2.5
Motor Pool	9	9	9	9	9	9	9	9
Electrical	0	0	0	0	1	1	1	1
Solid Waste	13	14	14	14	14	14	15	15
Water Maintenance	8	7	7	7	7.5	7.5	7.5	7.5
Water Services	5	4	4	4	4	4	4	4
Sewer Maintenance	8	7	7	7	7	7	9	9
Auto Parking	3	3	3	3	3	3	3	3
Recreation	2	2	2	2	2	2	2	2
Ice Arena	0	0	0	0	0	0	0	0
Senior Services	1	1	1	1	1	1	1	1
Subtotal	59	56	56	56	59	59	63	63
Total	273	269	292	303	321	321	330	334

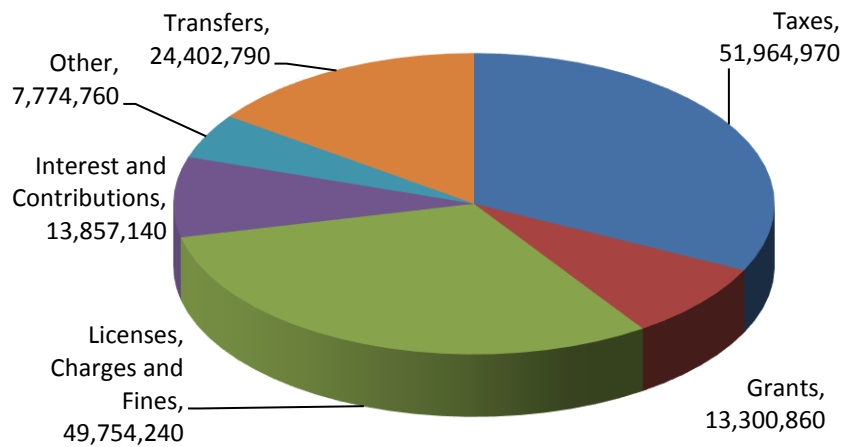
*Report based on home-base allocations not FTE

*Deviates from the FY17-18 original budget

All Funds Revenue Summary

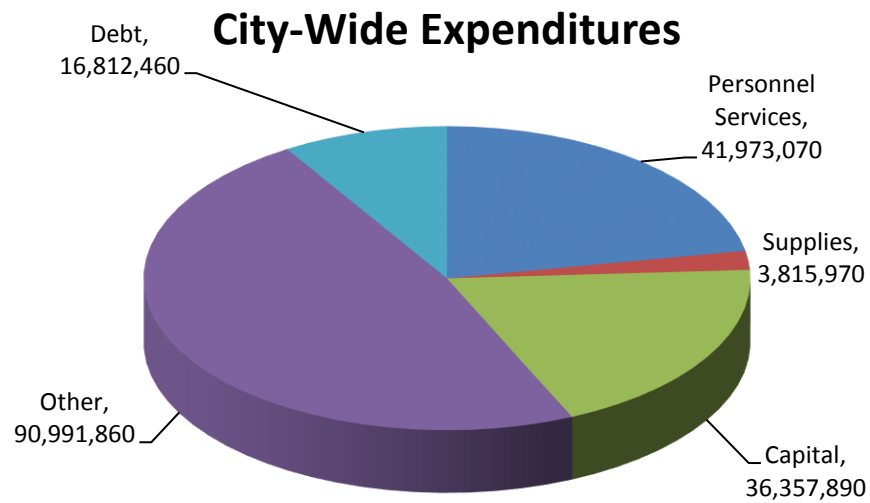
Revenues	General	Special Revenue	Debt Service	Enterprise	Internal Service	Component Unit	Grand Total
Taxes	19,309,700	25,346,000	614,000	2,852,000	-	3,843,270	51,964,970
Grants	5,601,180	7,699,680	-	-	-	-	13,300,860
Licenses, Charges and Fines	10,042,050	4,026,000	-	35,346,200	339,990	-	49,754,240
Interest and Contributions	678,000	1,191,680	400	43,000	11,921,560	22,500	13,857,140
Other	503,000	280,270	-	127,500	6,863,990	-	7,774,760
Transfers	1,012,000	20,024,000	2,686,000	580,790	-	100,000	24,402,790
Total	37,145,930	58,567,630	3,300,400	38,949,490	19,125,540	3,965,770	161,054,760

City-Wide Revenue Sources



All Funds Expenditure Summary

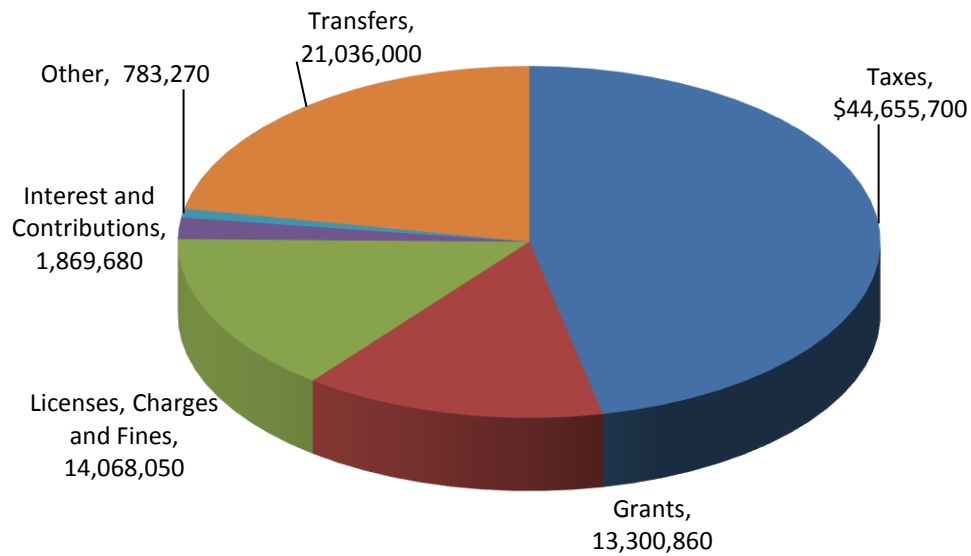
Expenses	General	Special Revenue	Debt Service	Enterprise	Internal Service	Component Unit	Grand Total
Personnel Services	8,275,720	28,609,300	-	3,048,970	1,888,170	150,910	41,973,070
Supplies	384,940	1,454,520	-	871,990	1,102,020	2,500	3,815,970
Capital	727,000	10,524,390	-	23,021,400	2,085,100	-	36,357,890
Other	30,601,390	15,929,760	-	26,332,500	14,579,320	3,548,890	90,991,860
Debt	2,465,000	6,481,050	3,314,000	3,914,420	637,990	-	16,812,460
Total	42,454,050	62,999,020	3,314,000	57,189,280	20,292,600	3,702,300	189,951,250



General & Special Revenue Funds Summary

Revenues	General	Special Revenue	Grand Total
Taxes	\$ 19,309,700	\$ 25,346,000	\$ 44,655,700
Grants	5,601,180	7,699,680	13,300,860
Licenses, Charges and Fines	10,042,050	4,026,000	14,068,050
Interest and Contributions	678,000	1,191,680	1,869,680
Other	503,000	280,270	783,270
Transfers	1,012,000	20,024,000	21,036,000
Total	\$ 37,145,930	\$ 58,567,630	\$ 95,713,560

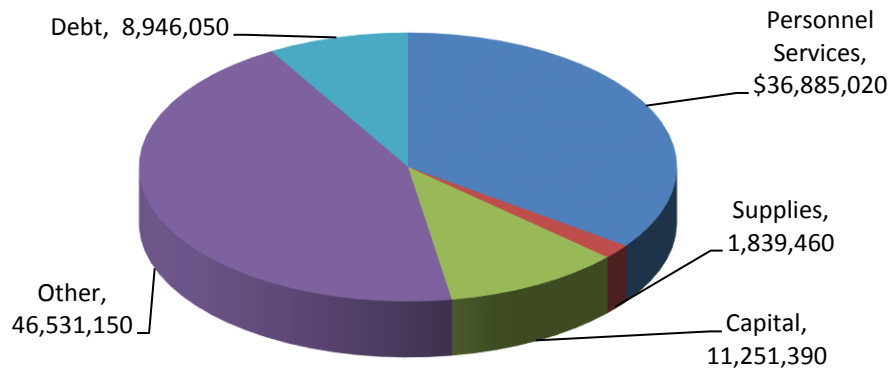
General and Special Revenue Funds Revenue Sources



General & Special Revenue Funds Expenditures Summary

Expenses	General	Special Revenue	Grand Total
Personnel Services	\$ 8,275,720	\$ 28,609,300	\$ 36,885,020
Supplies	384,940	1,454,520	1,839,460
Capital	727,000	10,524,390	11,251,390
Other	30,601,390	15,929,760	46,531,150
Debt	2,465,000	6,481,050	8,946,050
Total	\$ 42,454,050	\$ 62,999,020	\$ 105,453,070

General and Special Revenue Funds Expenditures



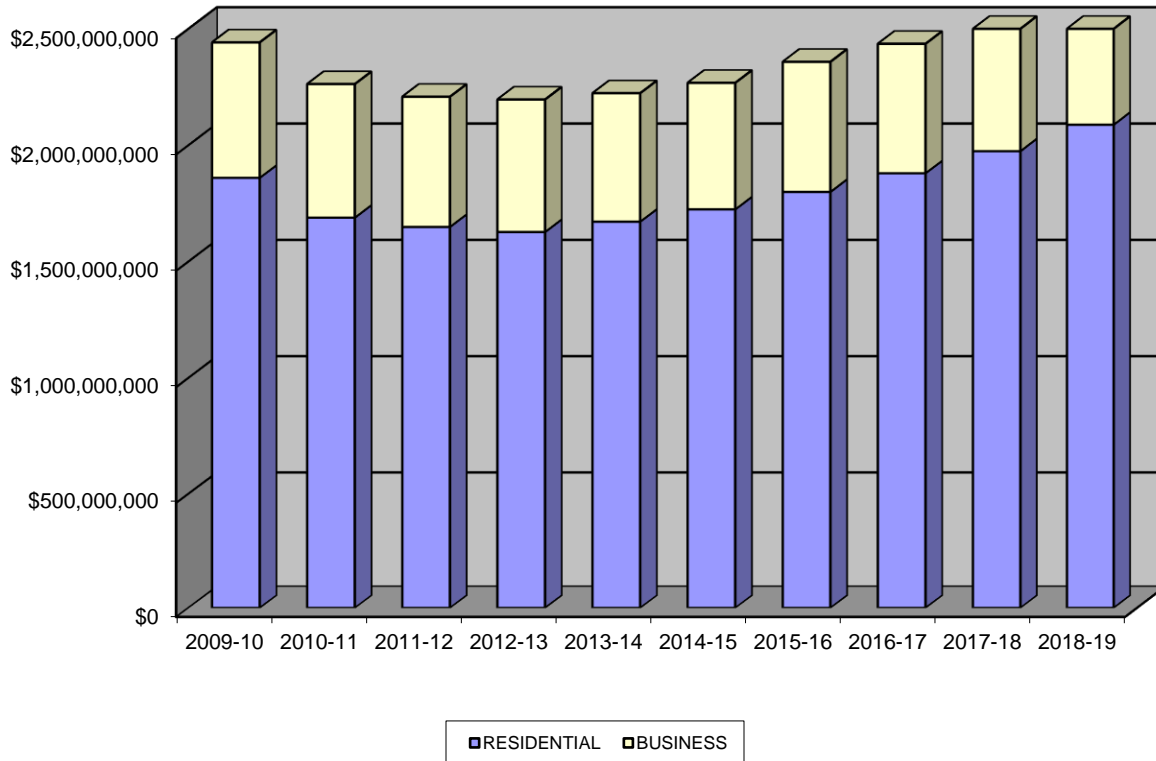


FINANCIAL TRENDS

The financial trends in this section of the budget report show year-to-year comparisons and projections in the following categories.

Taxable Value	Tax Allocation
City Millage Rates	State Shared Revenue
Millage Summary	Interest Income
Millage Rate Comparison	Debt Projections

Taxable Value: Residential + Business Ten Years Actual & Two Years Projected

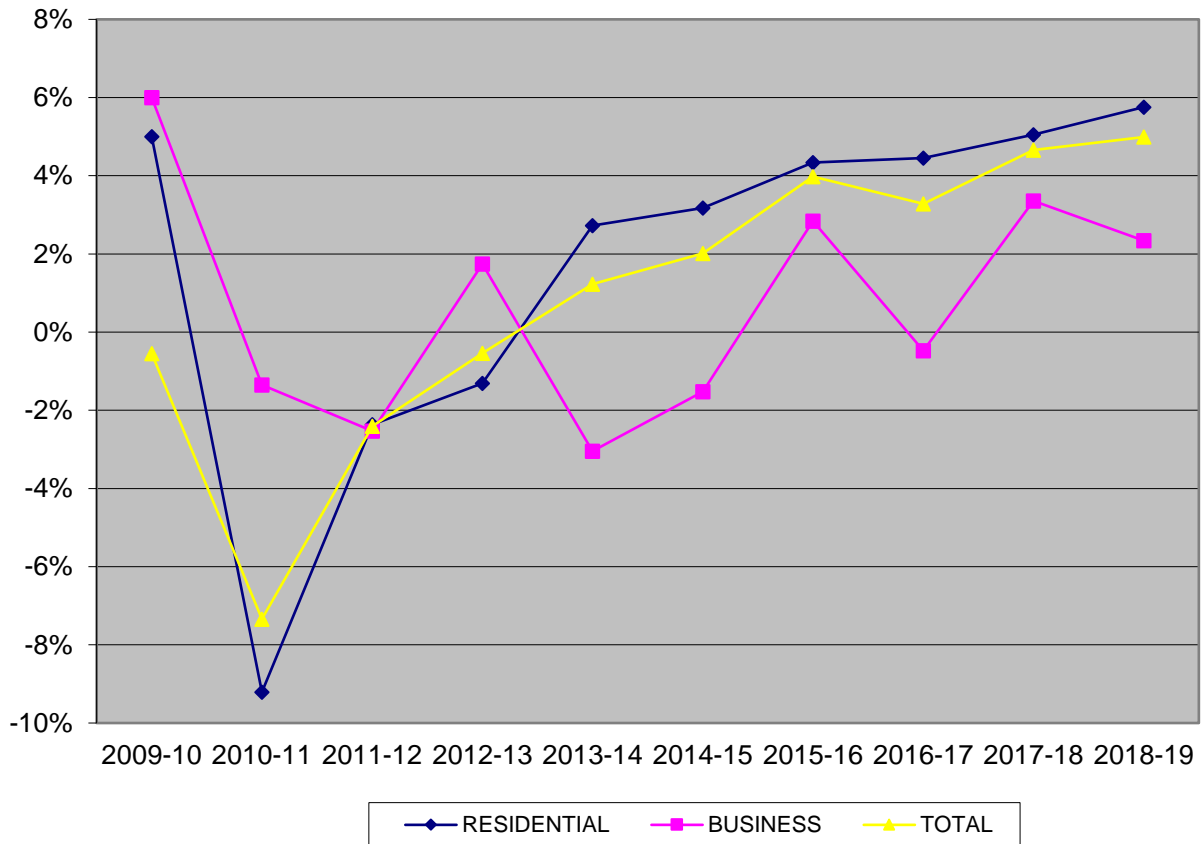


Taxable value, the basis for tax revenue, increased 4.99% based on valuations after the March board of review process. All property tax classes increased except personal property.

For the estimated years in the budget, Royal Oak's revenues are projected to increase an average of 2.5% each year. This revenue assumption is the net effect of taxable value increases and Headlee reductions.

Fiscal Year	By Class					
	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	PERSONAL	TOTAL	CHANGE
2009-10	1,859,817,935	413,633,900	57,320,450	111,014,890	2,441,787,175	-0.55%
2010-11	1,688,549,090	403,781,590	54,329,690	116,007,990	2,262,668,360	-7.34%
2011-12	1,648,632,770	396,588,890	43,977,480	119,051,890	2,208,251,030	-2.41%
2012-13	1,626,988,850	391,226,770	41,045,340	137,095,330	2,196,356,290	-0.54%
2013-14	1,671,311,400	379,835,840	36,914,920	135,277,840	2,223,340,000	1.23%
2014-15	1,724,404,970	375,365,660	36,935,510	131,328,570	2,268,034,710	2.01%
2015-16	1,799,260,920	378,983,060	37,730,500	142,368,610	2,358,343,090	3.98%
2016-17	1,879,373,700	393,810,370	39,070,030	123,548,190	2,435,802,290	3.28%
2017-18	1,974,284,140	405,165,090	38,888,620	131,044,220	2,549,382,070	4.66%
2018-19	2,087,920,010	423,697,010	39,757,990	125,109,600	2,676,484,610	4.99%

Taxable Value Percent Change By Year



Year	RESIDENTIAL		BUSINESS	
	\$	%	\$	%
2009-10	1,859,817,935	-1.6%	581,969,240	2.9%
2010-11	1,688,549,090	-9.2%	574,119,270	-1.3%
2011-12	1,648,632,770	-2.4%	559,618,260	-2.5%
2012-13	1,626,988,850	-1.3%	569,367,440	1.7%
2013-14	1,671,311,400	2.7%	552,028,600	-3.0%
2014-15	1,724,404,970	3.2%	543,629,740	-1.5%
2015-16	1,799,260,920	4.3%	559,082,170	2.8%
2016-17	1,879,373,700	4.45%	556,428,590	-0.47%
2017-18	1,974,284,140	5.1%	575,097,930	3.4%
2018-19	2,087,920,010	5.8%	588,564,600	2.3%

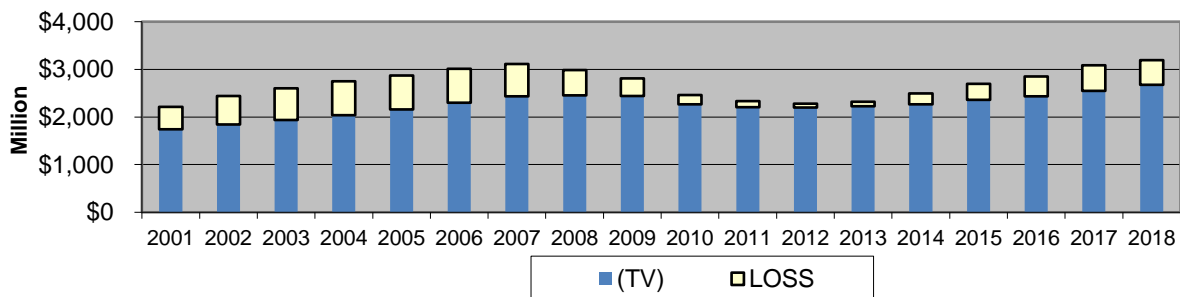
Proposal A Effect in Royal Oak
Taxable Value v. Assessed Valuation
 (Values are in Millions)

July 1	ASSESSED VALUE (SEV)	TAXABLE VALUE (TV)	LOSS	LOSS INCREASE (DECREASE)
2001	2,209	1,739	470	47
2002	2,439	1,841	598	128
2003	2,603	1,938	665	67
2004	2,746	2,038	708	43
2005	2,872	2,157	715	7
2006	3,013	2,300	713	-2
2007	3,114	2,435	679	-34
2008	2,986	2,455	531	-148
2009	2,808	2,442	366	-165
2010	2,462	2,263	199	-167
2011	2,335	2,208	127	-72
2012	2,279	2,196	83	-44
2013	2,320	2,223	97	14
2014	2,497	2,268	229	132
2015	2,694	2,358	336	107
2016	2,853	2,435	418	82
2017	3,082	2,549	533	115
2018	3,190	2,676	514	-19

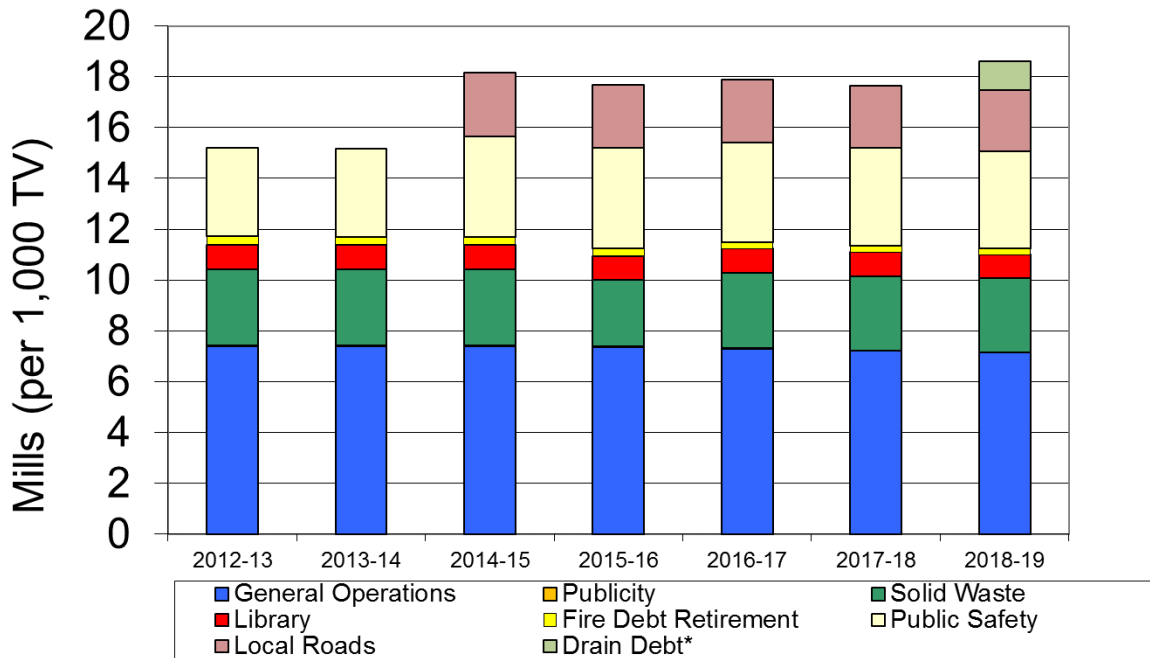
Proposal A of 1994 amended the State constitution changing the property taxation base from state equalized value (SEV) to taxable value (TV). The annual increase in taxable value to each parcel is limited by the parcel's SEV or to the rate of inflation (CPI) or 5% whichever is less. The city's allowable inflation rate multiplier for fiscal year 18-19 is 2.1 percent. The chart and

graph show the widening result of this through 2005 when the gap reached a high of \$715 million. After 2005, the trend reversed and the gap began to close until 2014. In 2014, the loss gap had begun to widen again and continues to expand significantly in 2017. 2018 may be the beginning of another gap closing trend as the loss declined from \$533 to \$514 million.

Taxable Value + Loss = Assessed Value



City Tax Rate



Millage Rate	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
General Operations	7.3947	7.3947	7.3947	7.3695	7.2899	7.2031	7.1389
Publicity	0.0225	0.0223	0.0218	0.0212	0.0206	0.0195	0.0180
Solid Waste	3.0129	3.0129	3.0129	2.6026	2.9700	2.9346	2.9084
Library	0.9597	0.9597	0.9597	0.9564	0.9460	0.9347	0.9263
Fire Debt Retirement	0.3363	0.3006	0.2910	0.2770	0.2665	0.2400	0.2450
Public Safety	3.4750	3.4750	3.9750	3.9614	3.9186	3.8719	3.8374
Local Roads	0.0000	0.0000	2.5000	2.4915	2.4645	2.4351	2.4134
Drain Debt*	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.1360
TOTAL	15.2011	15.1652	18.1551	17.6796	17.8761	17.6389	18.6234

Downtown Development Authority - Specific Tax Rate - Operations

DDA Operating Levy	1.6477	1.6477	1.6477	1.6477	1.6146	1.6146	1.6022
City & DDA Operations	16.8488	16.8129	19.8028	19.3273	19.4907	19.2535	20.2256

*formerly charged in sewage disposal rate

General Operating Levy

City Charter amendment 04/01/1957

Up to 11.0000 mills authorized by the charter (limited to 7.1389 mills by Headlee rollback) for any governmental purpose. A levy of 7.1389 mills is budgeted for fiscal year 2018-19.

Publicity Levy

Public Act 359 of 1925 - MCL 123.881 Publicity tax; limit. Sec. 1. [Excerpt]

The common council of any city ... in this state, shall have the power to levy a special tax not to exceed in any 1 year 4 mills on the dollar of the assessed valuation of all taxable property within the said city or village, to be used for advertising, exploiting and making known the industrial, commercial, educational or recreational advantages of the said city ..., and to establish recreational and educational projects for the purpose of encouraging immigration to, and increasing the trade, business and industries of the said city or village: Provided, however, that such tax levy shall not exceed 50,000 dollars in any 1 year. A levy of 0.0180 mill is budgeted.

Refuse Levy

Public Act 298 of 1917 as amended-MCL 123.261 Garbage disposal plants or systems in cities [Excerpt, underlining added] Sec. 1.

(1) The city council of a city, whether organized under the general law or special charter, ... may establish and maintain garbage systems or plants for the collection and disposal of garbage in the city or village, and may levy a tax not to exceed 3 mills on the taxable value of all taxable property in the city or village according to the valuation of the property, as made for the purpose of state and county taxation by the last assessment in the city or village for these purposes

(2) As used in this act, "garbage" means any putrescible and non-putrescible solid wastes, except body wastes, and includes ashes, incinerator ash, incinerator residue, street cleanings, solid market wastes, solid industrial wastes, and also rubbish including such items as paper, cardboard, tin cans, yard clippings, wood, glass, bedding, crockery, and litter of any kind. The Headlee millage limitation and the levy is 1.9465 mills.

Refuse Levy

City Charter amendment 08/02/2016

As authorized in a city charter amendment this millage was first levied in the summer of 2007. Therefore, it expired after the 2011 levy. It was renewed in November 2011 and again in August

2016 for five years. The renewal allows the city to levy up to 1.000 mill, to defray the costs of refuse collection, disposal and curbside recycling. Currently, the Headlee millage limitation is 0.9619 mill. This millage is budgeted for 0.9619 in fiscal year 2018-19.

Library Operations Levy

Public Act 164 of 1877 as amended-MCL 297.210a Free Public Library in the city.

Voter approved millage 11/04/2003

Up to 1.0000 mill is authorized for reconstructing, furnishing, equipping and operating the city's existing library for 20 years. The millage expires after 2023. The current Headlee limitation and levy is 0.9263 mill for fiscal year 2018-19.

Fire Bond Debt Service Levy

Public Act 31 of 1948 (1st Ex. Session) as amended

Voter approved bond issue 05/15/2001

A full faith and credit tax millage authorized to pay debt service of building authority series 2001A bonds. This issuance was advance refunded in 2012 and is now called series 2012. This millage expires after 2021. A reduced millage rate due in part to refunding is budgeted at 0.2450 mill for fiscal year 2018-19.

Public Safety Levy

City Charter Amendment 11/08/2016

Authorized in chapter 8, section 11 (as amended) in the city charter, this language allows the city to levy a millage for a period not to exceed five (5) years of up to 3.975 mills, to defray the costs for police, fire and emergency medical services. On November 8, 2016 a year prior to expiration, the voters of Royal Oak approved the renewal of this millage and it is charged on the winter tax bill. The fiscal year 2018-19 budget provides for a levy of 3.8374 mills.

**CITY OF ROYAL OAK DOWNTOWN
DEVELOPMENT AUTHORITY**

DDA General Operations Levy

**Public Act 197 of 1975 DDA Act-MCL 125.1662
Ad valorem tax--Commission adopted
11/02/1976**

Sec. 12. (1) An authority with the approval of the municipal governing body may levy an ad valorem tax in the downtown district. The tax shall be not more than 2 mills if the downtown district is in a municipality having a population of less than 1,000,000. This is only for the purposes provided by Act 197 beginning with the duty to

correct and prevent deterioration in business districts. The levy is budgeted at 1.6022 mills for fiscal year 2018-19 and is also the maximum due to the Headlee limitation. This millage is not reduced by Headlee this year.

Road Levy

City Charter amendment 11/04/2014

As authorized in a city charter amendment this millage was first levied in the winter of 2014, this language allows the city to levy up to 2.5 mills for a period not to exceed ten (10) years beginning on December 1, 2014, to defray costs for maintaining, repairing, and reconstructing roads and right of ways in the City of Royal Oak. Voters approved this millage on November 4, 2014 and it was immediately placed on the winter tax bill in the amount of 2.5 mills. The fiscal year 2018-19

budget provides for a levy of 2.4134 mills and this is also the Headlee maximum.

Drain Levy

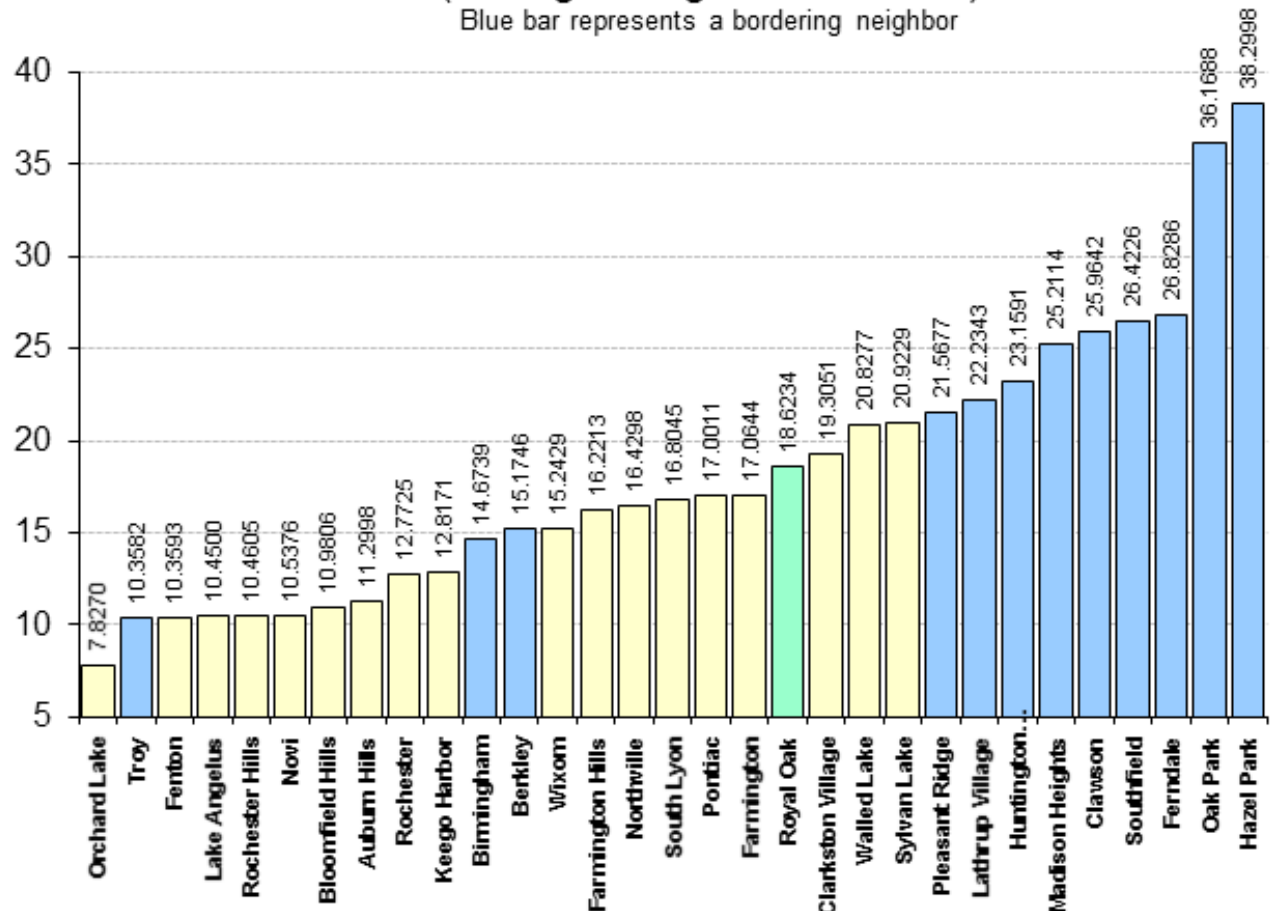
Public Act 40 of 1956 MCL 280.475 Statutory or charter tax limitations inapplicable; rate or amount of taxes.

Taxes levied by a public corporation for the payment of assessments hereunder shall not be deemed to be within any statutory or charter tax limitation. A public corporation may impose taxes without limitation as to a rate or amount for the payment of the assessments in anticipation of which bonds are issued..... The fiscal year 2018-19 budget provides for a levy of 1.1360 mills. Fiscal year 2018-19 will be the first year of this millage as this revenue was collected to pay drain debt service by way of sewage disposal fees in prior year.

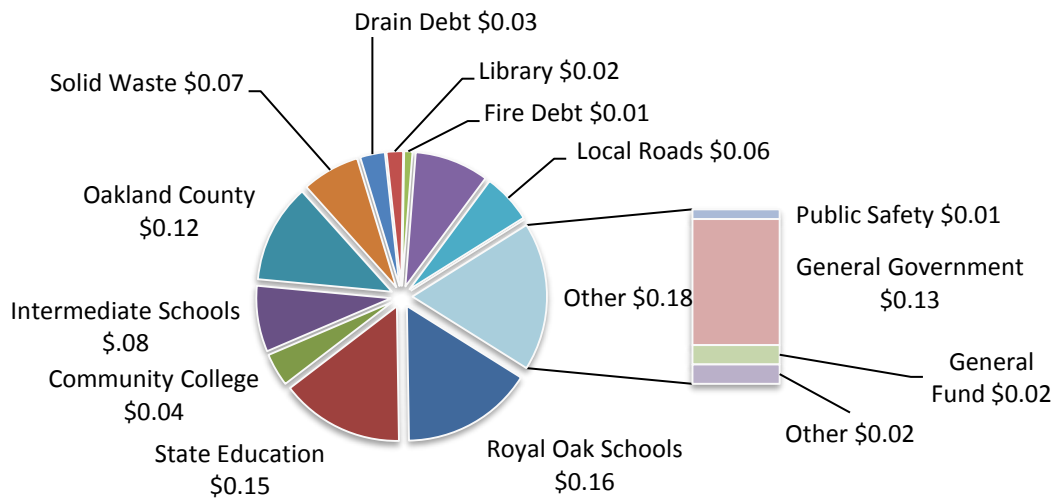
FY 2017-2018 Millage Rate Comparison

(Average Millage Rate = 18.44)

Blue bar represents a bordering neighbor



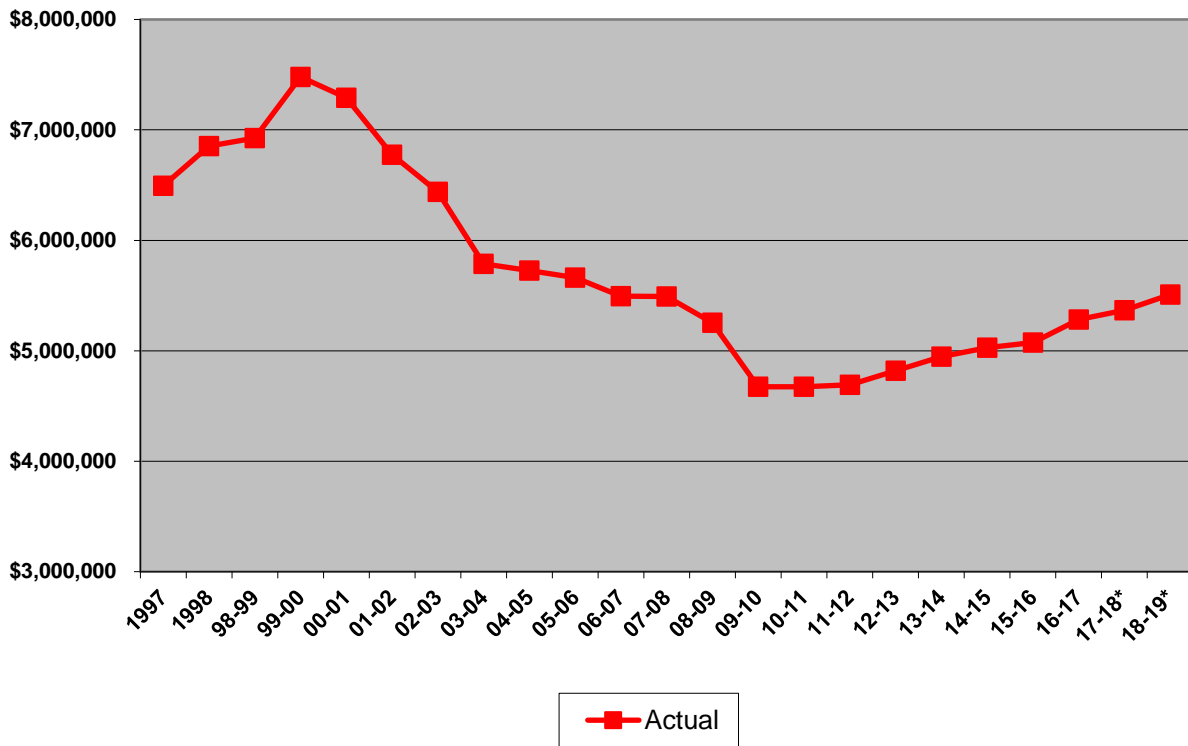
Where Your Tax Dollar Goes



- Royal Oak Schools
- State Education
- Community College
- Intermediate Schools
- Oakland County
- Solid Waste
- Drain Debt
- Library
- Fire Debt

46% of taxes support city services in Royal Oak. 54% of real tax revenue supports the county and schools.

General Fund State Shared Revenue



The Michigan legislature has dramatically reduced distributions of state shared revenue of sales tax receipts since fiscal year 1999-2000. The formula was fully funded in 2001 but population dropped in the 2010 census. The constitutional formula is set by the voters and cannot be affected by the legislature. Statutory/CVTRS payments to the city have been lower each year than its peak since 2000. First there were challenges to the Headlee tax rate limits, and then by Proposal A to taxable value. The past eighteen years, local governments

have had to contend with the dilemma that state shared revenue is drastically reduced. As the graph illustrates, funding is down \$1.971 million since the high in 1999-2000 (not adjusted for inflation). This leaves the local unit of government with the position of having to reduce services or find some creative way to raise new revenue (which has its restrictions), such as new voter approved millages. The full CVTRS (formerly EVIP) funding has been budgeted for fiscal year 2018-19, a \$143,000 increase, based upon the State of Michigan's projection.

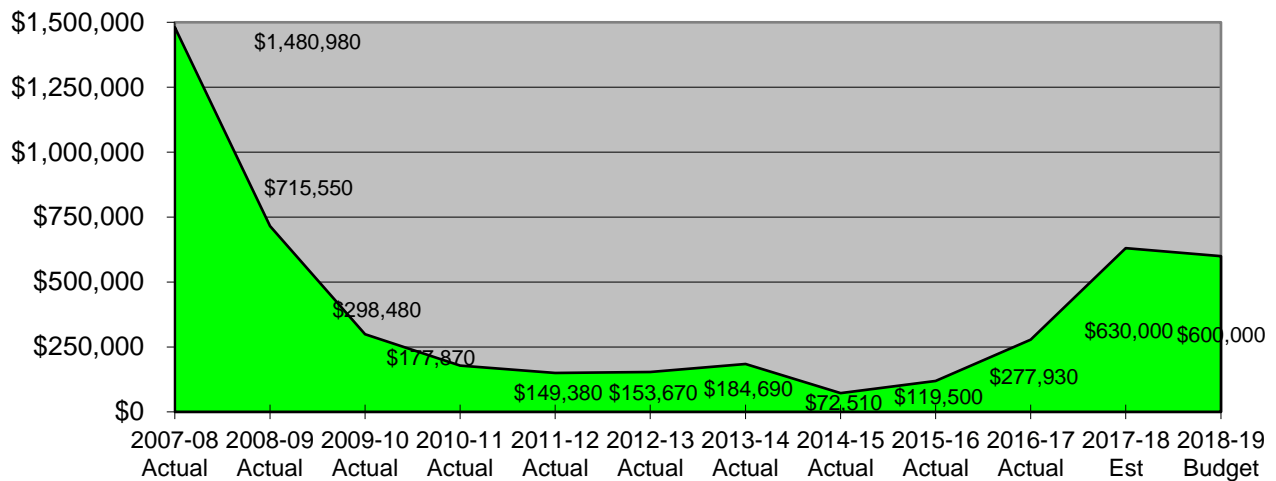
Financial Trends – State Shared Revenue

State Shared Revenue

<u>Fiscal</u>	<u>Year</u>	<u>Constitutional</u>	<u>Statutory</u>	<u>Actual</u>	
	1997	3,914,919	2,578,011	6,492,930	
	1998	3,978,040	2,874,568	6,852,608	
	98-99	4,094,535	2,831,659	6,926,194	
	99-00	4,433,959	3,046,331	7,480,290	Formula revised
	00-01	3,897,555	3,393,244	7,290,799	
	01-02	3,937,256	2,838,283	6,775,539	Uses 2000 census; fully funded
	02-03	4,003,913	2,436,424	6,440,337	Reductions begin anew
	03-04	3,960,423	1,827,848	5,788,271	
	04-05	4,054,936	1,670,243	5,725,179	
	05-06	4,123,971	1,537,506	5,661,477	
	06-07	4,038,279	1,456,481	5,494,760	
	07-08	4,173,107	1,319,767	5,492,874	
	08-09	3,935,742	1,319,775	5,255,517	
	09-10	3,815,174	859,079	4,674,253	
	10-11	3,861,430	812,823	4,674,253	
	11-12	4,110,082	582,777	4,692,859	EVIP Implemented
	12-13	4,195,175	624,402	4,819,577	
	13-14	4,293,557	654,486	4,948,043	
	14-15	4,416,029	612,393	5,028,420	CVTRS Implemented
	15-16	4,369,203	674,467	5,073,238	
	16-17	4,607,911	674,467	5,282,378	
Projected	17-18*	4,691,593	674,467	5,366,060	
Projected	18-19*	4,835,270	674,460	5,509,730	

*Does not include projected personal property tax reimbursement (supplemental CVTRS)

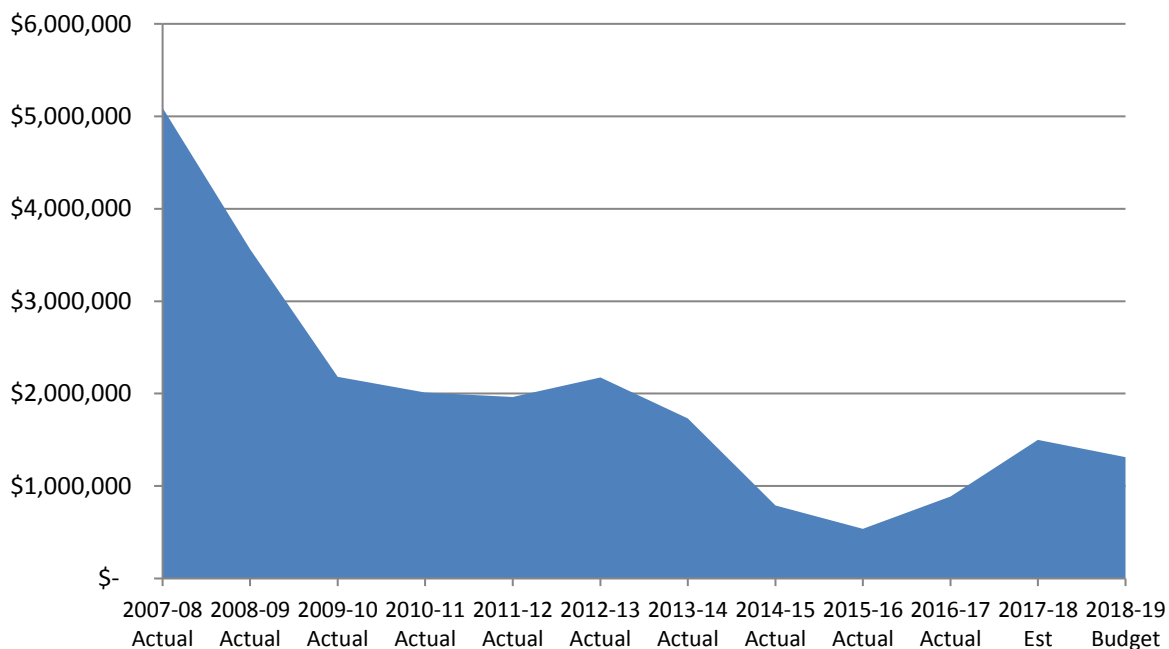
General Fund Interest Revenue



Beyond ten years ago, funds were able to significantly supplement operations with interest income earned on cash balances. Unfortunately, this changed over the last ten years. Interest rates earned on the city's cash had fell drastically as well as certain cash levels from which interest rates are calculated. In fiscal year 2007-08, the

general fund earned nearly \$1.5 million to help offset its operating expenditures. The general fund fiscal year 2018-19 interest income is budgeted at \$600,000 due to rising interest rates. However, it is nearly \$900,000 less income than the peak in fiscal year 2007-08. The all funds interest revenue includes trust and agency funds.

All Funds Combined Interest Revenue

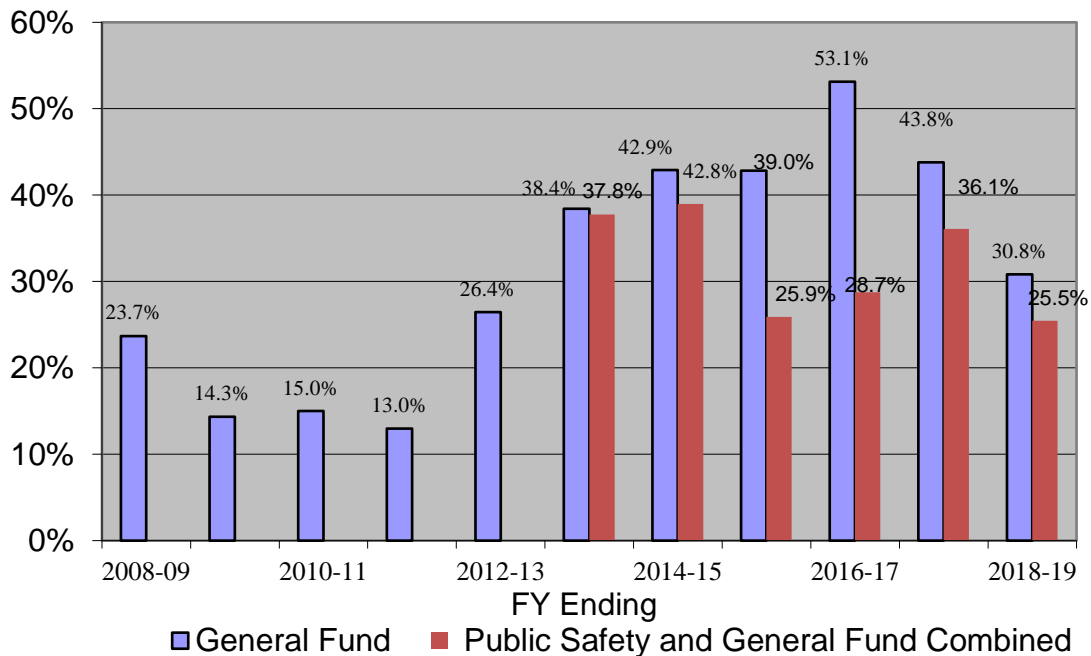


General Fund
Unassigned fund balance as a percentage of expenditures
Fiscal Year 2008-09 to 2018-19

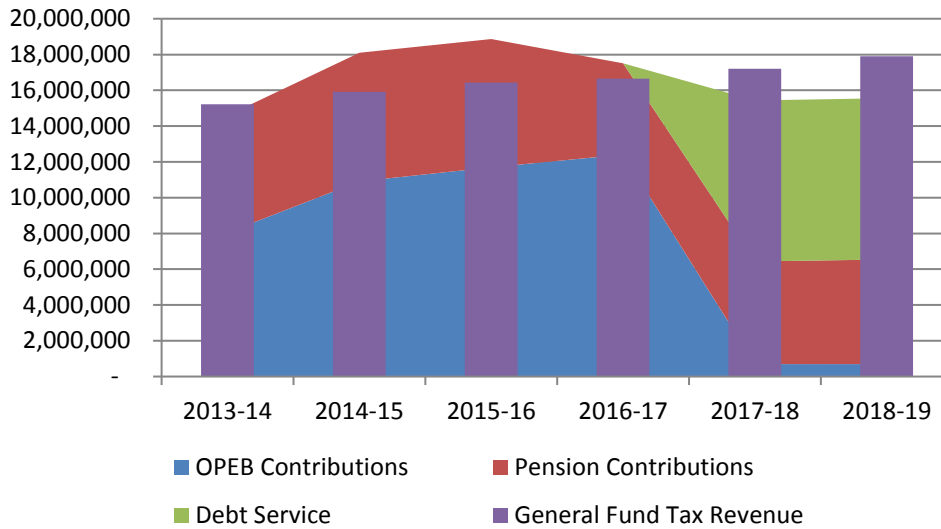
<u>Fiscal Year</u>		<u>Expenditures</u>	<u>Unassigned Fund Balance</u>	<u>Percent</u>
2008-09		35,133,900	8,323,551	23.7%
2009-10		36,469,831	5,233,096	14.3%
2010-11		34,800,450	5,221,748	15.0%
2011-12		33,696,290	4,374,352	13.0%
2012-13		27,949,060	7,391,788	26.4%
2013-14		29,019,450	11,149,200	38.4%
2014-15		30,512,890	13,085,091	42.9%
2015-16		33,808,180	14,481,359	39.0%
2016-17		40,123,140	21,321,516	53.1%
2017-18	Estimated	41,984,740	18,389,956	43.8%
2018-19	Estimated	42,454,050	13,081,836	30.8%

The Royal Oak City Commission has set the goal for the general fund to maintain undesignated fund balance of not less than 10% and not more than 25% of expenditures. The public safety fund is combined with the general fund unassigned fund balance in the graph below, since general fund significantly funds police, fire, and EMS operations. The budgeted unassigned combined fund balance for fiscal year 2018-19 is estimated at \$13.8 million or 25.5%.

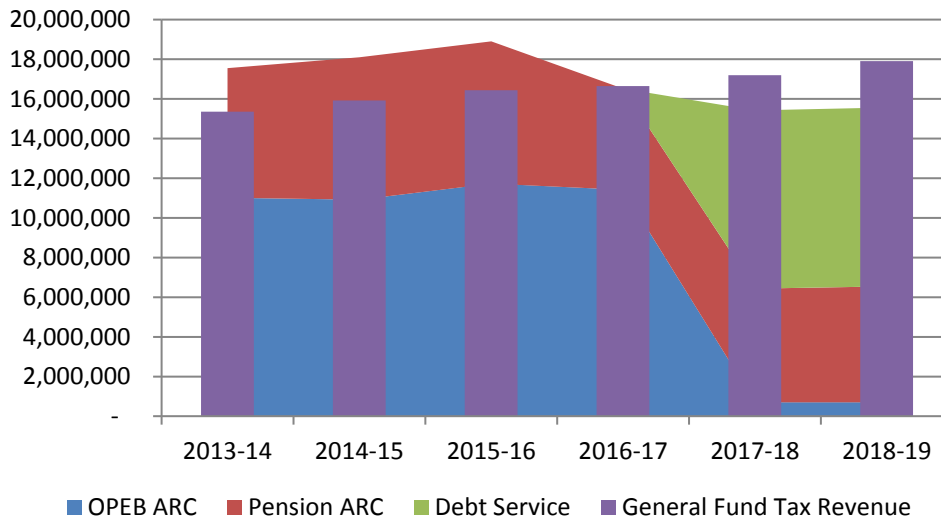
Unassigned Fund Balance as a % of Expenditures



**General Fund Tax Revenue vs Actual/Budgeted City
Defined Benefit Pension/OPEB and Debt Service Payments**



**General Fund Tax Revenue vs. Defined Benefit City
Pension/OPEB Actuarially Derived Annual Required
Contribution and Debt Service**



The graph illustrates that the city's combined pension and OPEB actuarially derived ARC and related debt service payments are now less than the general fund millage revenue. In accordance with state requirements the city has contributed the full pension ARC however the city hasn't contributed the full OPEB ARC in some of these years.

OPEB ARC is not a required annual contribution as is pension. The top graph illustrates that for fiscal year 2018-19 the city is budgeting to contribute the full pension and OPEB ARCs and pension/OPEB debt service. The contributions are below the general fund tax revenue for fiscal year 2018-19 (and 2017-18).



GENERAL FUND

The general fund is the city's major operating fund accounting for all financial resources of the city except those required to be accounted for in another fund. Property taxes from the city's general tax millage/levy and state shared revenue are recorded in this fund. General administration and some public works functions are services provided from this fund.

Mayor/Commission - 101.101

Court – 101.136

Manager – 101.172

Elections – 101.191

Finance – 101.201

Assessor – 101.209

Attorney – 101.210

Clerk – 101.215

Human Resources – 101.226

Administration – 101.248

Treasurer – 101.253

City Office Building – 101.265

Parks & Forestry – 101.266

Building Maintenance – 101.267

Ordinance Enforcement 101-372

Community Development – 101.400

Animal Protection Services –101.430

Electrical – 101.443

Engineering – 101.447

Street Lighting – 101.448

Economic Development – 101.728

Community Engagement – 101.747

Cable Communications – 101.834

Community Promotion – 101.835

Dream Cruise – 101.836

Arts, Beats and Eats – 101.837

Transfers-Out – 101.965

The mission of the general fund is to record all revenue not required by state statute or local law to be reported separately, and to show the legal expenditure of those monies.

The general fund is typically the largest operating fund of any municipality. The City of Royal Oak is no exception; its revenue exceeds \$37 million (including transfers-in from other funds).

Approximately 75% of general fund revenue is from property taxes, state grants, fines and forfeitures, licenses and permits, and charges for

services. Property tax revenue alone makes up over half of revenue. The base operating millage is authorized by the city charter in chapter 8 section 4.11(a).

A secondary source of general fund revenue includes interest and rentals, contributions and donations, other revenue.

GOALS

1. Provide for the proper collection of revenue to defray the cost of service delivery for the general purpose operations of the City of Royal Oak.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

REVENUES - Total general fund revenue (excluding transfers-in) is budgeted to increase 2% / \$580,000 relative to fiscal year 17-18 estimated year-end revenue mostly due to increased tax revenue, state shared revenue, indirect cost charges and RDS reimbursement. Tax revenue for the general fund is budgeted to increase 4% / \$610,000 for fiscal year 18-19. The forecast assumes a 2.5% increase in tax revenue after fiscal year 18-19. State shared revenue, another significant revenue source, is budgeted to increase 2% / \$98,000 based upon the State of Michigan's published projection. Indirect cost revenue (fee charged to other city funds for general fund central service costs) is increasing 8% / \$173,000 due to increased central services costs. RDS payments are increasing \$198,000 due to a one-time decline in fiscal year 17-18 based upon a change in payment timing.

TRANSFERS-IN Transfer-in are decreasing by \$2.488 million due to the net effect of a one-time \$3.5 million transfer (payback) from local streets in fiscal year 17-18 and the increase of \$737,000 from the DDA and \$275,000 from the auto parking fund to assist with the funding of the ROCC project debt service.

EXPENDITURES – Total general fund expenditures (excluding nonpublic safety transfers-out and a one-time lump sum developer payment related to the ROCC project) are budgeted to increase nearly 7% / \$2.3 million relative to fiscal year 17-18 estimated year-end expenditures, mostly due to an increase for the ROCC project annual debt payment, park capital projects, carryover of the master plan project and increases in wages, and healthcare costs. The specific expenditure details are noted in the significant notes section within each cost centers. Beginning in fiscal year 17-18, pension and OPEB unfunded actuarial accrued liability (UAAL) contributions are not existent therefore not in personnel costs (with the exception of police and fire pension UAAL) due to the recent bond issuances in February of 2017. Instead, beginning in fiscal year 17-18, there is a debt expense for the principal and interest allocated to the general fund in the city administration cost center. The estimated future years' budget assumes that there is not a future UAAL contribution for the legacy costs that were bonded.

TRANSFERS-OUT Total transfer-out of the general fund amounts to \$26.05 million. Transfer-out to the public safety fund is budgeted at \$19 million, a \$900,000 increase from fiscal year 17-18 estimated year-end transfer. The forecast estimates that the transfer will be as high as \$20.3 million by fiscal year 22-23. \$350,000 transfer-out to senior center fund continues to be necessary to support current programing and it is estimated that the transfer will need to increase to \$450,000 by fiscal year 22-23. The 18-19 budget has a transfer to ROOTs in the amount of \$15,000 for the commission for the arts funding. The fiscal year 18-19 estimated year-end provides for \$2 million transfer to the capital fund for the ROCC project and nearly \$4 million in fiscal year 18-19. The 18-19 budget includes a \$2,227,000 debt payment on the ROCC project, and the forecast provides for this same amount to be transferred annually for the duration of the ROCC project bond issuance. The general fund continues to transfer-out approximately \$465,000 annually to pay the debt service on the court building.

FUND BALANCE – The fiscal year 18-19 budget provides for the use of \$5.3 million from fund balance as a revenue source to fund expenditures and transfers-out. The ending fund balance level is projected at 31% which is slightly outside of the fund balance policy (fund balance policy is 10% to 25% of expenditures). However, the forecast show a continued structural deficit with use of fund balance of approximately \$900,000 annually. Should the future estimated budgets be accurate, then this use of fund balance will not be sustainable in the long-term. The final year of the forecast ends with a fund balance of \$9.6 million / 24%. A combined fund balance for the general fund and public safety fund totals 18% at the end of the forecast.

The balance of noteworthy program information can be found in the significant note section (an orange box) within each of the budget document cost centers.

Budget Summary

General Fund Summary	2017-2018 Estimated Year End	2018-2019 Adopted Budget	2019-2020 Projected Budget	2020-2021 Projected Budget	2021-2022 Projected Budget	2022-2023 Projected Budget
Beginning Fund Balance	21,321,516	18,389,956	13,081,836	12,656,766	11,862,456	10,893,876
Revenues	35,553,180	36,133,930	36,400,690	36,868,770	37,446,350	37,971,890
Expenditures	41,984,740	42,454,050	37,838,260	38,675,580	39,427,430	40,283,490
Net	(6,431,560)	(6,320,120)	(1,437,570)	(1,806,810)	(1,981,080)	(2,311,600)
Transfers from other funds	3,500,000	1,012,000	1,012,500	1,012,500	1,012,500	1,012,500
Net Change in Fund Balance	(2,931,560)	(5,308,120)	(425,070)	(794,310)	(968,580)	(1,299,100)
Ending Fund Balance	18,389,956	13,081,836	12,656,766	11,862,456	10,893,876	9,594,776
Fund Balance as a percentage of Expenditures	43.80%	30.81%	33.45%	30.67%	27.63%	23.82%
Public Safety Beginning Fund Balance	898,444	861,964	712,174	400,514	232,584	88,124
Public Safety Revenues	10,779,090	11,053,020	11,293,700	11,540,390	11,793,250	12,052,430
Public Safety Expenditures	29,455,570	30,742,810	31,145,360	31,748,320	32,377,710	33,029,350
Net	(18,676,480)	(19,689,790)	(19,851,660)	(20,207,930)	(20,584,460)	(20,976,920)
Transfers from other funds	18,640,000	19,540,000	19,540,000	20,040,000	20,440,000	20,840,000
Net Change in fund balance	(36,480)	(149,790)	(311,660)	(167,930)	(144,460)	(136,920)
Public Safety Ending Fund Balance	861,964	712,174	400,514	232,584	88,124	(48,796)
General Fund and Public Safety combined Fund Balance as a percentage of Expenditures	36.09%	25.45%	26.12%	23.75%	21.16%	18.01%

Revenues

101-000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	17,226,150	5,101,040	8,807,460	131,320	496,750	1,057,820	32,820,540
2015-2016 Actual	17,848,720	5,412,470	9,802,790	171,450	528,370	1,367,380	35,131,180
2016-2017 Actual	18,277,450	5,373,830	10,095,130	421,980	875,400	6,911,820	41,955,610
2017-2018 Original Budget	18,585,500	5,258,500	9,756,920	478,200	462,000	0	34,541,120
2017-2018 Adjusted Budget (Dec)	18,585,500	5,258,500	9,756,920	478,200	462,000	3,500,000	38,041,120
2017-2018 Six Month Actual	18,054,760	1,939,750	5,040,500	228,760	188,700	0	25,452,470
2017-2018 Estimated Year End	18,658,700	5,578,450	10,237,160	740,000	338,870	3,500,000	39,053,180
2018-2019 Dept Request	19,309,700	5,601,180	10,042,050	678,000	503,000	1,012,000	37,145,930
2018-2019 Manager's Budget	19,309,700	5,601,180	10,042,050	678,000	503,000	1,012,000	37,145,930
2018-2019 Adopted Budget							
2019-2020 Projected Budget	19,781,150	5,711,370	9,817,170	588,000	503,000	1,012,500	37,413,190
2020-2021 Projected Budget	20,264,260	5,823,770	9,766,240	511,500	503,000	1,012,500	37,881,270
2021-2022 Projected Budget	20,759,340	5,938,420	9,799,110	446,480	503,000	1,012,500	38,458,850
2022-2023 Projected Budget	21,266,670	6,055,360	9,755,650	391,210	503,000	1,012,500	38,984,390

Expenditures

General Fund	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	28,673,350	547,100	140,230	23,079,300	0	52,439,980
2015-2016 Actual	9,093,950	590,580	299,180	23,824,470	0	33,808,180
2016-2017 Actual	9,905,140	369,050	159,900	27,027,920	0	37,462,010
2017-2018 Original Budget	7,936,120	383,280	332,000	31,075,360	2,439,820	42,166,580
2017-2018 Adjusted Budget (Dec)	7,943,470	383,280	428,000	31,075,860	2,439,820	42,270,430
2017-2018 Six Month Actual	3,630,750	130,360	92,860	11,884,310	1,832,270	17,570,550
2017-2018 Estimated Year End	7,780,330	381,530	312,280	31,051,030	2,459,570	41,984,740
2018-2019 Dept Request	8,279,720	384,540	727,000	30,606,790	2,465,000	42,463,050
2018-2019 Manager's Budget	8,275,720	384,940	727,000	30,601,390	2,465,000	42,454,050
2018-2019 Adopted Budget						
2019-2020 Projected Budget	8,528,470	384,940	50,000	26,411,450	2,464,000	37,838,860
2020-2021 Projected Budget	8,789,820	384,940	50,000	26,989,030	2,463,000	38,676,790
2021-2022 Projected Budget	9,060,140	384,940	50,000	27,470,200	2,464,000	39,429,280
2022-2023 Projected Budget	9,339,800	384,940	50,000	28,050,250	2,461,000	40,285,990

The mission of the mayor and commission is to govern the City of Royal Oak in such a manner as to provide a safe, healthy and sustainable community.

As provided for in the city charter, Royal Oak has a commission-manager form of government. A commission consisting of a mayor and six commissioners has full power and authority, except as herein otherwise provided, to exercise all the powers conferred upon the city.

The commission appoints the manager as the chief administrative officer of the city. The commission selects the city manager based on his executive and administrative qualifications.

The commission constitutes the legislative and governing body of the city, possessing all the powers herein provided for, with power and authority to pass ordinances and adopt resolutions as they shall deem proper to exercise any or all these powers possessed by the city.

The members of the commission are elected on a non-partisan ballot by the city at large. To be eligible for the office of mayor or commissioner, a

person shall have been a resident of the territory included in the City of Royal Oak at least one year immediately preceding election.

Three commissioners are elected to four-year terms every two years to ensure experienced legislators at all times. The mayor is elected for a two-year term.

The mayor is the presiding officer of the commission. In the absence of the mayor, the mayor pro tempore is the presiding officer.

Each elected official has one vote that can be cast on each motion. Appointed officials do not have a vote. Four members of the commission constitute a quorum and may conduct city business. Ordinance and resolutions require four affirmative votes to be approved.

City commission meetings are held every second and fourth Monday of the month (with some exceptions) at 7:30 p.m. in the commission chambers of city hall at 211 Williams. Meetings are open to the public and are broadcast on WROK channels 55/10.

GOALS

1. Operations – To perform all city operations as efficiently and effectively as possible. This includes, but is not limited to internal communications, technology, innovation and financial management
2. Economic / Tax Base - Encourage and support diverse investment to maximize property values and facilitate employment opportunities and desirable housing
3. Fiscal Management – To preserve Royal Oak as a safe and healthy community through sound fiscal policy, strategic planning, prompt decisive actions and effective management of taxpayer's assets.

OBJECTIVES

- Evaluate the Royal Oak Next Plan and identify measures to move forward.^{GOAL1}
- Provide incentives for housing developments that meet gaps identified in the Target Market Analysis.^{GOAL2}
- Continue process for establishing ROOTS as a 501(c)3 entity.^{GOAL3}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Training and education is increasing \$1,500 relative to fiscal year 2017-18 to allow commissioners to attend additional training events. Capital outlay is decreasing due to the one-time purchase of smart conference chairs.

**Budget Summary
Expenditures**

101-101 MAYOR/COMMISSION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	5,720	130	0	18,630	0	24,480
2015-2016 Actual	4,440	190	0	26,730	0	31,360
2016-2017 Actual	5,410	390	0	29,400	0	35,200
2017-2018 Original Budget	4,640	600	0	32,100	0	37,340
2017-2018 Adjusted Budget (Dec)	4,640	600	0	32,100	0	37,340
2017-2018 Six Month Actual	2,290	170	8,280	24,530	0	35,270
2017-2018 Estimated Year End	5,500	450	8,280	30,650	0	44,880
2018-2019 Dept Request	5,830	600	0	32,100	0	38,530
2018-2019 Manager's Budget	5,830	600	0	32,100	0	38,530
2018-2019 Adopted Budget						
2019-2020 Projected Budget	5,830	600	0	32,100	0	38,530
2020-2021 Projected Budget	5,830	600	0	32,100	0	38,530
2021-2022 Projected Budget	5,830	600	0	32,100	0	38,530
2022-2023 Projected Budget	5,830	600	0	32,100	0	38,530

Cost Center Position Detail – Home Base
Full & Part-time Employees

Mayor/Commission		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		0.1	0.1	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Part-time Total		0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0

The mission of the 44th District Court is to provide a neutral environment for objective resolution of legal disputes.

In January 2015, pursuant to law, the 45A District Court (Berkley) merged with and into the 44th District Court, creating one court to serve both the Royal Oak and Berkley communities.

The 44th District Court, a judicial court of the State of Michigan, is comprised of three divisions: the judicial, court clerks and court services.

The court is responsible for all civil, traffic and criminal cases that transpire within the boundaries of the cities of Royal Oak and Berkley.

The 44th District Court has two judges elected by the citizens of Royal Oak and Berkley. A portion of the judge's salaries are paid by the State of Michigan. The judges are responsible to handle all civil and criminal trials, preliminary hearings, formal hearings, appeals, arraignments, bench warrants, etc. The court also has one part-time magistrate who hears over 9,000 informal hearings and small claims cases.

Both judges conduct programs that promote youth-awareness. The Justice 101 program educates younger children on the role of the court and includes visiting the court to observe and tour the facility. Teen court is for young adults and involves teens involved in minor infractions being heard and judged by a court of their peers.

Under general supervision of the chief judge, the court administrator serves as the executive officer for the 44th District Court. The court administrator is responsible for the administrative management of all non-judicial functions of the court. This includes personnel management, financial administration, facility management, scheduling and case management, records management, jury utilization and other administrative duties.

The criminal section maintains records on all misdemeanor and felony offenses and is responsible for the processing, scheduling and noticing of all criminal cases in the court.

The traffic section is responsible for maintaining records and processing all traffic civil infractions, parking violations, and code enforcement proceedings.

The civil section maintains records on general civil, landlord/tenant and small claims cases and is responsible for the scheduling, processing and noticing of these cases.

The 44th District Court became the first court in the tri-county area to implement e-citations and e-commerce. This enables police officers to print the tickets in their police car and download the information directly into court computers saving time and money. At the same time e-commerce allows people receiving traffic tickets to pay their tickets directly on-line via the web. Because of this and other innovative measures that the court has taken in recent years we have been able to reduce costs.

The court services division is responsible to administer several programs; jury administration, comprehensive collections efforts and the supervision, counseling, and referral of defendants placed on probation.

Probation officers assist persons sentenced to probation with supervision and rehabilitation with a goal to eliminate re-offending. The probation component of the division performs alcohol screening assessments and pre-sentence investigations. Other services provided include assisting with securing training, schooling and employment. Due to jail overcrowding at the Oakland County Jail, the 44th District Court has developed several alternative programs through the probation division. Prisoners who would ordinarily be sent to jail but are not a threat to the community are placed in TROOP, an alternative work program.

The TROOP participants are ordered to perform hours of community service in the City of Royal Oak such as picking up leaves in our parks, planting flowers in city flower beds, cleaning the Salter Center, and other civic and charitable deeds within the Community.

The 44th District Court's two judges each preside over a sobriety court caseload. Sobriety court is a two-year intensive supervision and rehabilitation program for individuals who have been convicted of drug offenses or two or more offenses of drunk driving. Participants are monitored closely to insure there is no alcohol or drug use. They participate in therapy and support group meetings, and meet with a specially trained probation officer twice per month. The program consists of four phases and presently averages

about 95 participants. Since 2013, the 44th District Court's Sobriety Court has shown significant success in rehabilitating participants graduating 106 people from the program.

Jury administration encompasses all aspects of the process of summoning eligible citizens from the Royal Oak and Berkley communities when they are needed for jury trials. This includes notices, payments, responding to inquiries, and seeing to their needs while serving as a juror. The court is mindful that jury service, while essential to our system of law, does sometimes present an inconvenience to those summoned.

The court is responsible for collection of monies owed for all traffic tickets, parking tickets,

misdemeanors, and code violations. Due to the court's continued aggressive collections program, the 44th District Court enjoys one of the highest collection and case closure rates in the State of Michigan.

There is a maxim that a fine is not a punishment until it is collected. This court believes that. Failure to aggressively pursue those who owe fines and costs can result in diminished respect for the rule of law and possible re-offending. The court utilizes a number of proven strategies to compel compliance.

GOALS

1. To provide a fair venue for resolving traffic and ordinance, civil, criminal, small claims and landlord/tenant legal disputes.
2. To provide efficient, effective and safe resolution services for legal disputes.
3. To reinforce respect for the rule of law by ensuring that fines and costs assessed by the court are paid.
4. To provide efficient, courteous service to citizens summoned to jury duty, remaining mindful that we are taking people from their daily routines.
5. To utilize innovative strategies to compel compliance from persons who owe fines and costs.
6. To assist judges with sentencing by providing thorough reports and professional analysis.
7. To provide persons sentenced to probation with a range of rehabilitation services designed to minimize re-offending.

OBJECTIVES

- All trial courts must implement electronic filing by June of 2021. Some components supplied by the state and others are local responsibility. The court wants to get the local responsibility components in place to ease transitioning.^{GOAL2}
- Continue to improve methods and means for persons to pay outstanding fines and costs.^{GOAL5}
- The 44th District Court is recognized as a court of excellence; in customer satisfaction, and our approach to delivery of services. The court wants to find more ways to utilize innovation and technology to improve service delivery.^{GOAL1}
- The court must obtain certification of its drug court by the State Court Administrative Office (SCAO). Certification is necessary to compete for state grants and to utilize state incentives on behalf of drug court participants (i.e. restricted driver's license). The court received its first grant of \$100,000 this year. The court wants to continue to get grants of even larger amounts in the years ahead.^{GOAL7}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The court has initiated several new programs to strengthen its collection effort, notably structured payment plans and a tax garnishment program. The court initiatives to collect outstanding fines and costs continue to produce positive results. In 2014, the annual collections were \$5.5 million. In 2017, the annual collections were over \$7 million.

The Michigan Indigent Defense Commission was recently created to ensure that an accused person has benefit of counsel at critical points in their case. The Michigan Supreme Court and governor's office have promulgated standards to insure an individual facing the possibility of jail time is afforded competent legal counsel early in the criminal process. The 44th District Court was already utilizing many of the standards before the criteria were released. Insuring adequate representation has required a large increase the expense for court appointed counsel. As additional criteria are adopted and implemented, the expense is sure to increase even more.

The court is approved for a drug court grant of \$100,000 for fiscal year 2017-18. This allows for a drug court probation officer, so case load distribution can be in compliance with state standards. Its intended that this will be the first of many years of such grants and higher awards will be received in the years ahead. Should the court not get the grant for a second year, this position will be funded by the general fund for a majority of fiscal year 2018-19. Personnel costs are increasing due to the addition of this full-time drug court probation officer as well as a part-time drug court clerk. Overtime is requested \$5,000 higher than the fiscal year 2017-18 projection as this fluctuates depending on case load and the number of garnishments.

The court experienced significant expenditure issues with the HVAC system during 2017. Many issues were due to age and discovery of components that have not worked properly for years. The court expects to have to replace a motor and other parts in the other air handler within the next 12 months. Books and subscriptions are increasing \$500 as the price of law books increases each year. Building security services are increasing \$500 due to annual increases in the cost of security system services. Printing costs are decreasing \$5,000 relative to the fiscal year 2017-18 original budget due to doing additional in-house printing. Juror fees are increasing \$4,000 due to an increase in the rate jurors are paid starting on April 1. \$50,000 is budgeted for cement remediation outside of the court building.

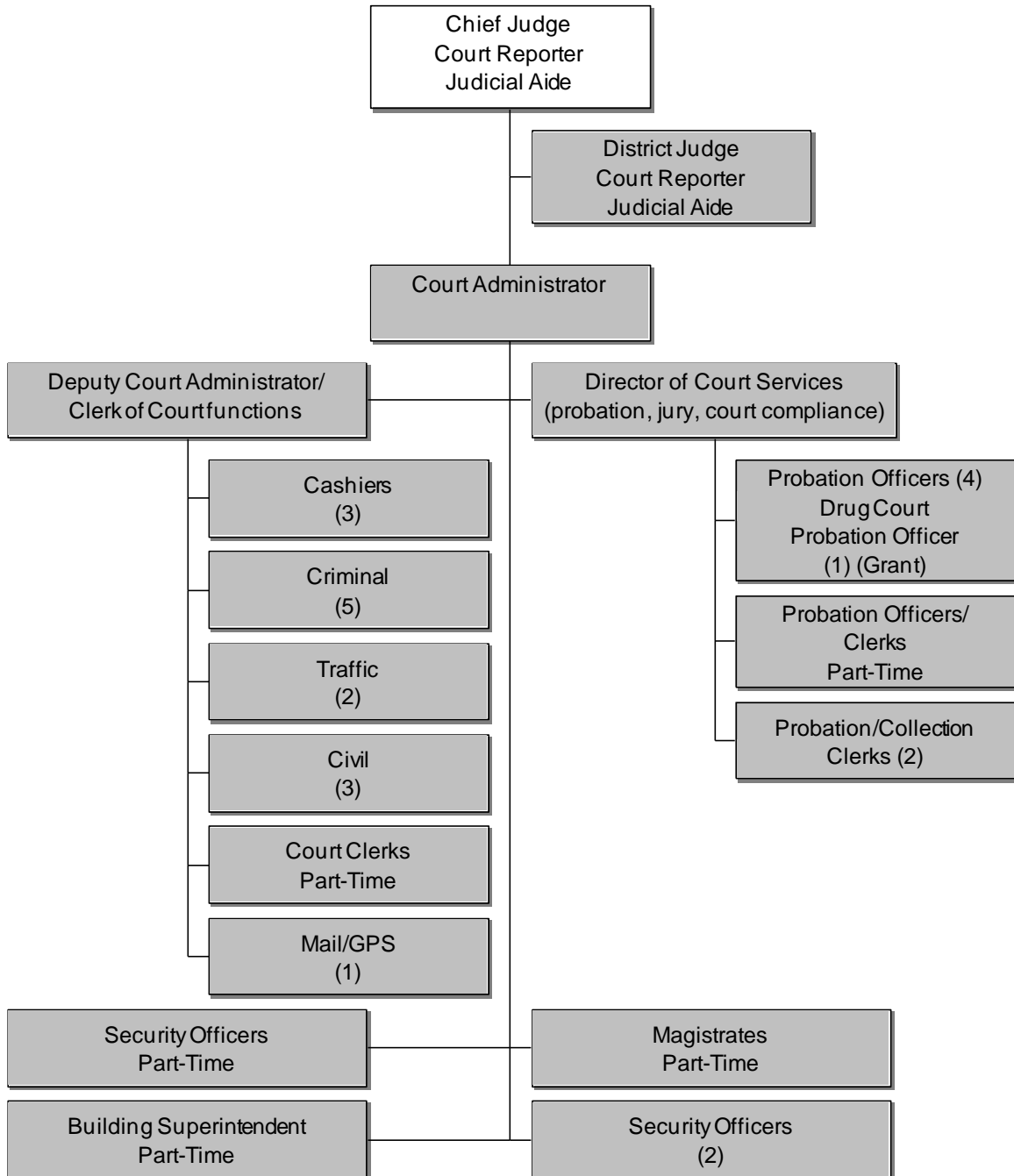
Budget Summary

Expenditures

101.136 DISTRICT COURT	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	2,435,890	76,120	78,430	263,030	0	2,853,470
2015-2016 Actual	2,778,610	74,790	(280)	359,890	0	3,213,010
2016-2017 Actual	3,535,810	85,470	0	415,670	0	4,036,950
2017-2018 Original Budget	2,874,900	82,500	0	452,880	0	3,410,280
2017-2018 Adjusted Budget (Dec)	2,874,900	82,500	0	452,880	0	3,410,280
2017-2018 Six Month Actual	1,281,390	26,000	0	196,470	0	1,503,860
2017-2018 Estimated Year End	2,864,710	75,000	0	470,350	0	3,410,060
2018-2019 Dept Request	3,019,540	73,500	50,000	474,000	0	3,617,040
2018-2019 Manager's Budget	3,019,540	73,500	50,000	474,000	0	3,617,040
2018-2019 Adopted Budget						
2019-2020 Projected Budget	3,108,980	73,500	50,000	474,000	0	3,706,480
2020-2021 Projected Budget	3,201,440	73,500	50,000	474,000	0	3,798,940
2021-2022 Projected Budget	3,297,000	73,500	50,000	474,000	0	3,894,500
2022-2023 Projected Budget	3,395,790	73,500	50,000	474,000	0	3,993,290

101.151 PROBATION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	455,500	8,740	0	1,460	0	465,700
2015-2016 Actual	628,540	6,760	0	3,500	0	638,800
2016-2017 Actual	0	0	0	0	0	0
2017-2018 Original Budget	0	0	0	0	0	0
2017-2018 Adjusted Budget (Dec)	0	0	0	0	0	0
2017-2018 Six Month Actual	0	0	0	0	0	0
2017-2018 Estimated Year End	0	0	0	0	0	0
2018-2019 Dept Request	0	0	0	0	0	0
2018-2019 Manager's Budget	0	0	0	0	0	0
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	0	0	0	0
2020-2021 Projected Budget	0	0	0	0	0	0
2021-2022 Projected Budget	0	0	0	0	0	0
2022-2023 Projected Budget	0	0	0	0	0	0

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

District Court		Fiscal Year							
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
District Court Judge	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Court Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy Court Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Judicial Secretary/Recorder	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Court Supervisor - Criminal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0
Court Officer	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
District Court Clerk	7.0	8.0	8.0	8.0	9.0	13.0	13.0	15.0	15.0
Collections Clerk	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Court Bailiff Law Clerk	2.0	2.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0
Director of Court Services	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Probation Officer	1.0	1.0	1.0	1.0	2.0	4.0	4.0	4.0	5.0
Pre-Sentence Director	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0
Building Superintendent	0.0	0.0	0.0	0.0	0.0	1.0	1.0	0.0	0.0
Full-Time Total	20.0	21.0	20.0	20.0	22.0	29.0	29.0	29.0	30.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	9.6	5.4	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	29.6	26.4	20.0	20.0	22.0	29.0	29.0	29.0	30.0

The mission of the city manager is to efficiently and effectively manage the delivery of the city's services as established by the mayor and the city commission's goals, objectives and policies and as prescribed by the city charter.

The city manager is the chief administrative officer of the city. The manager is chosen by the commission based on his/her executive and administrative qualifications, in addition to other criteria described in the city charter.

The city manager is responsible to the commission for the proper administration of the affairs of the city and makes most appointments, including the heads of departments.

Another important duty involves maintaining effective communication with, and being available for, the city commission. The city manager is required to be present at all meetings of the commission and be present at meetings of its committees and to take part in discussions, but has no vote.

The city manager's office oversees, administers and supervises all departments within the city with the exception of those that are separated by charter. These include the city attorney, city clerk, library director and the 44th District Court. The city manager's office acts as the chief operating office for the local government.

The office sets the commission agendas, negotiates with the city's nine (9) bargaining units, coordinates all special projects, works with all neighborhood associations and nonprofit and business groups, and has general control of all operational, financial, support and maintenance functions of the city government.

According to city charter, not later than 30 days before the end of each fiscal year, the city manager must prepare and submit to the commission an annual budget for the ensuing fiscal year, based upon detailed estimates furnished by the finance department and numerous other divisions of the city government.

GOALS

1. Operations – To perform all city operations as efficiently and effectively as possible. This includes, but is not limited to internal communications, technology, innovation and financial management.
2. Fiscal Management - To preserve Royal Oak as a safe and healthy community through sound fiscal policy, strategic planning, prompt decisive actions and effective management of taxpayer's assets.
3. Infrastructure – To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
4. Communication – To proactively promote meaningful, open and respectful dialogue that ensures effective decision making.
5. Community – To preserve neighborhoods by encouraging community involvement and family activities.

OBJECTIVES

- Develop succession plans to anticipate near-term retirements, and over time, develop succession plans for all levels of staff, providing opportunities for employee development, including a potential for job sharing as departures become imminent.^{GOAL1}
- Identify areas in city service operations with the lowest satisfaction scores, based off the Cobalt Community Survey, and develop strategies to increase these scores.^{GOAL1}
- Maintain financial stability to assure employees of job security; complete the ROCC to strengthen recruitment efforts; build up employee morale.^{GOAL1}
- Implement a Disney customer service refresher course for new employees.^{GOAL1}

GOALS

6. Public Safety – To protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner.

OBJECTIVES

- Take advantage of a DNR grant for development of Normandy Oaks Park.^{GOAL2}
- Aggressively pursue grant opportunities, employing a cost-benefit analysis to ensure that grants are financially appropriate.^{GOAL2}
- Review and update service fees every two years to insure costs are covered.^{GOAL2}
- Finalize the design and bid out the ROCC project.^{GOAL3}
- Establish a transition or movement plan as departments need to plan on moving from the old facility to the new complex.^{GOAL3}
- Complete the ROCC project staging plan and rollout to the community.^{GOAL3}
- Establish ROCC project deadlines and a timetable for staff as the program unfolds, and make that public as well.^{GOAL3}
- Place a sidewalk funding millage on the November ballot.^{GOAL3}
- Seek Oakland County Water Resources Commission commitment to require twelve local government units in the George Kuhn drainage area to reduce drainage flows to downstream communities.^{GOAL3}
- Develop a city-wide environmental sustainability plan to link together the range of infrastructure plans and projects that are unfolding.^{GOAL3}
- Identify a team to provide information to the public about the ongoing ROCC project, and consider hiring a public relations firm to help with the task.^{GOAL4}
- Increase promotion of the city website, get the URL out in the public and on social media.^{GOAL4}
- Explore establishing a citizen's academy program along the lines of the citizens police academy to help individuals understand how the city does its business.^{GOAL4}

GOALS**OBJECTIVES**

- Schedule a work session with members of the city commission and planning commission to reconsider the action to direct the revision of the master plan and zoning ordinance.^{GOAL5}
- Complete a community visioning plan with a high quality public engagement effort as the master plan planning process unfolds.^{GOAL5}
- Complete phase one of Normandy Oaks Park.^{GOAL5}
- Create a public transportation plan for the city.^{GOAL6}

Performance Indicators / Outcome Measures

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Actual 2017</u>
The City of Royal Oak's overall "American Customer Satisfaction Index" Rating (scale 1-100)	70	N/A	68	N/A	69

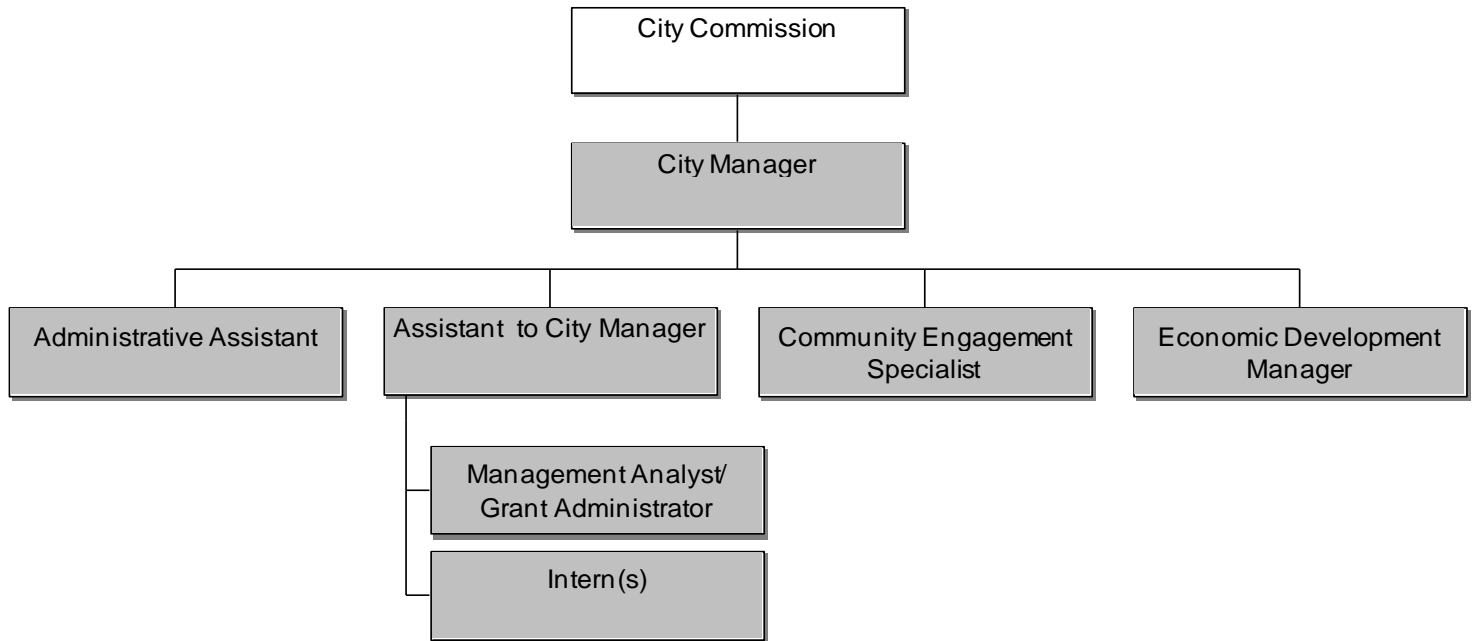
Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Full-time personnel costs are increasing due to newer employees (who are not at the top of their pay range) potentially receiving wage increases and all positions being filled for the entire fiscal year. Part-time wages are increasing \$4,500 as both fellow positions will be filled for the entire year. \$6,000 is requested for grant tracking software. This is a cost that has been covered by SEMCOG for the past year but may not be covered in the future. Contracted services include \$85,000 to carry-over an organizational study from fiscal year 17-18. Training and education is increasing \$2,500 due to a newer employee requiring training. Dues and memberships are increasing due to all positions being filled.

Budget Summary

101.172 MANAGER	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	505,020	1,860	0	10,130	0	517,010
2015-2016 Actual	530,070	5,080	0	8,620	0	543,770
2016-2017 Actual	646,770	2,550	0	7,140	0	656,460
2017-2018 Original Budget	468,940	3,500	0	97,850	0	570,290
2017-2018 Adjusted Budget (Dec)	468,940	3,500	0	97,850	0	570,290
2017-2018 Six Month Actual	204,140	480	0	5,370	0	209,990
2017-2018 Estimated Year End	423,220	2,900	0	8,650	0	434,770
2018-2019 Dept Request	491,730	8,900	0	96,900	0	597,530
2018-2019 Manager's Budget	491,730	8,900	0	96,900	0	597,530
2018-2019 Adopted Budget						
2019-2020 Projected Budget	507,330	8,900	0	11,900	0	528,130
2020-2021 Projected Budget	523,480	8,900	0	11,900	0	544,280
2021-2022 Projected Budget	540,190	8,900	0	11,900	0	560,990
2022-2023 Projected Budget	557,480	8,900	0	11,900	0	578,280

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Manager	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
City Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant to City Manager	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community Engagement Specialist*	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Grant Administrator / Management Analyst	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Economic Development Manager*	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	0.5	0.5	0.5	0.5	0.5	0.2	0.2	1.0	1.0
Full-Time Total	1.5	1.5	2.5	3.5	5.5	5.2	5.2	6.0	6.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	0.0	1.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	1.5	2.5	2.5	3.5	5.5	5.2	5.2	6.0	6.0

The mission of the elections division is to conduct elections in an effective and ethical manner meeting the requirements of the federal and state election law and the city charter.

The elections division of the city clerk's office maintains the city's qualified voter file (QVF) for the State of Michigan and is responsible for the conduct of elections in the city.

This division provides service to the community by maintaining a permanent absentee voter list and automatically mailing absentee applications to those voters, as requested.

For an election cycle, the division sends ID cards to new voters, mails absentee applications to those who have requested to be on the permanent absentee voter list and mails ballots; orders election supplies including ballots, test ballots and the election program. Prior to every election we participate with the county for a mock election to verify the accuracy of test results. We prepare M-100 tabulators, automarks, ballot boxes and supply boxes for each precinct.

The city's clerk's office prepares precinct lists to be used on election day. Staff verifies candidate

and ordinance petitions to be placed on the ballots. Voter lists are prepared as requested by candidates including specific election data and daily lists that are sent to them electronically. Training is conducted for all elections prior to every election to assure compliance with all applicable election laws.

The clerk oversees all election day activities to make sure elections run smoothly. Election results are processed and sent via modem to the county. Once election results have been tabulated, voter history is uploaded into the QVF software system. Costs for the election are identified including postage, supplies, payroll, legal notices and ballots.

Voter registration drives are conducted with cooperation of Royal Oak High School (ROHS). We had one drive in December and will have another one in the fall. The same is done with the nursing homes located within the city.

This office also helps ROHS with their mock elections by providing voting booths for students. Students are also hired for higher turnout elections, such as the presidential election. This gives them a better understanding of the election process.

GOALS

1. To effectively administer the election program by keeping informed of relevant legislation and improvements in technology and efficient process.
2. Streamline election process at the polls.
3. Provide timely and accurate election results.

OBJECTIVES

- Administer two elections for the calendar year 2018.^{GOAL1}
- Training election workers with the new equipment. First rollout was in 2017, however, that was with combined precincts. This year will be the first implementing new equipment in all voting precincts.^{GOAL2}
- Continue utilizing the most up to date technology to streamline voter wait times.^{GOAL2}
- Holding registration drives for our high school students so that they are registered prior to going to college. The first one this year was held in April at the high school.^{GOAL1}
- Holding registration drives for seniors at our senior facilities.^{GOAL1}

Performance Indicators / Outcome Measures

	Actual <u>2014</u>	Actual <u>2015</u>	Actual <u>2016</u>	Actual <u>2017</u>	Projected <u>2018</u>	Projected <u>2019</u>
GOAL1 Elections	2	2	3	1	2	2
GOAL1 Number of Registered Voters	47,595	48,014	49,806	48,064	49,000	49,000
GOAL2 Registration Applications Submitted	4,875	5,238	9,411	6,599	7,000	7,000
GOAL1 New Valid Registrations	4,873	3,461	6,208	4,558	5,000	5,000
GOAL1 Verified Voters	76	61	47	69	80	80
GOAL1 Active New Voters	3,559	4,679	6,267	4,482	5,000	5,000
GOAL1 Active Voters Cancelled	3,508	1,894	4,945	2,683	3,000	3,000

Note: Elections performance Indicators are reported on a calendar year basis as opposed to a fiscal year basis

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Part-time wages and overtime are increasing as there will be two elections in fiscal year 2018-19, an increase of one. Miscellaneous contracted services were increasing \$1,000 for Oakland County charges to code voting equipment but this was not carried forward in the manager's recommended budget. Postage and mailing services are increasing \$1,500 as there will be two elections so ballots will need to be mailed twice. \$90,000 is budgeted for a high-speed image scanner to process absentee ballots.

Budget Summary

Expenditures

101.191 ELECTIONS	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	235,210	14,760	0	9,950	0	259,920
2015-2016 Actual	242,720	40,260	0	14,250	0	297,230
2016-2017 Actual	287,330	63,570	0	9,240	0	360,140
2017-2018 Original Budget	245,230	70,000	150,000	17,000	0	482,230
2017-2018 Adjusted Budget (Dec)	245,230	70,000	197,500	17,000	0	529,730
2017-2018 Six Month Actual	93,490	16,450	84,580	5,390	0	199,910
2017-2018 Estimated Year End	194,490	70,000	150,000	16,750	0	431,240
2018-2019 Dept Request	241,340	70,000	90,000	19,400	0	420,740
2018-2019 Manager's Budget	234,340	70,000	90,000	18,400	0	412,740
2018-2019 Adopted Budget						
2019-2020 Projected Budget	240,920	70,000	0	18,400	0	329,320
2020-2021 Projected Budget	247,700	70,000	0	18,400	0	336,100
2021-2022 Projected Budget	254,720	70,000	0	18,400	0	343,120
2022-2023 Projected Budget	261,960	70,000	0	18,400	0	350,360

ROYAL OAK ELECTION HISTORY

Type of Election	Date	Total Voting	Voters Registered	Percent Voting	AV's counted	AV's Processed
City General	11/7/2017	12,419	48,002	25.87%	3,819	4,247
Presidential Election	11/8/2016	35,344	48,898	72.28%	8,787	9,024
Primary Election	8/2/16	9,591	48,618	19.73%	3,299	3,810
Primary Election	3/8/16	20,230	48,230	41.94%	3,550	3,793
City General Election	11/3/15	6,779	48,159	14.08%	3,054	3,578
Special Election	5/5/15	12,305	48,202	25.53%	3,621	3,879
November General	11/4/2014	23,734	49,164	48.28%	5,711	5,997
August Primary	8/15/2014	8,030	49,094	16.36%	3,121	3,383
City General Election	11/5/2013	12,555	49,105	25.57%	3,605	3,808
General Election	11/6/2012	34,607	49,034	70.58%	9071	9375
Primary Election	8/7/2012	12,356	48,641	25.40%	3450	3801
Presidential Primary	2/28/2012	8,119	48,309	16.81%	2849	3187
City General/School	11/8/2011	7,456	48,167	15.48%	3,142	3,617
General	11/2/2010	23,685	47,539	49.82%	5,587	5,966
August Primary	8/3/2010	12,406	47,539	26.10%	3,530	3,911
Berkley School Bond	2/23/2010	70	287	24.39%	18	21
City General & School	11/3/2009	8,375	47,374	17.68%	3,457	4,112
General & School	11/4/2008	36,669	48,187	76.10%	9,935	10,019
Primary	8/5/2008	11,426	46,724	24.45%	3,356	3,771
Presidential Primary	1/15/2008	11,677	46,279	25.22%	3,254	3,508
City General & School	11/6/2007	8,222	46,111	17.83%	3,455	3,958
General	11/7/2006	27,746	46,047	60.26%	6,340	6,619
Primary	8/8/2006	8,847	46,022	19.22%	3,827	4,215
School Board & Bond - Royal Oak only	5/2/2006	6,671	46,538	22.29%	3,675	4,675
City General/School	11/8/2005	16,645	47,098	35.34%	4,611	4,894
School Board	5/3/2005	9,627	50,125	19.24%	3,559	4,095
School Bond Millage	2/22/2005	11,026	49,217	22.40%	3,980	4,273
Presidential	11/2/2004	35,203	49,605	70.97%	8,642	8,986
Primary	8/3/2004	7,134	48,576	14.69%	3,343	3,798
School	6/14/2004	2,388	48,448	4.93%	1,946	3,124
City General	11/4/2003	10,808	48,700	22.19%	3,737	3,989
School	6/9/2003	5,200	48,377	10.75%	3,130	3,768
General	11/5/2002	24,575	48,849	50.31%	5,735	6,079
Primary	8/6/2002	13,204	49,930	26.45%	4,554	4,935
School	6/10/2002	13,040	49,644	26.27%	4,035	4,354
City General	11/6/2001	11,455	51,714	22.15%	4,227	4,488

The mission of the finance department is to provide accurate and timely financial services for the City of Royal Oak in the most efficient manner possible.

The director of finance has the responsibility of the administration of the financial affairs of the city insofar as they relate to the keeping of accounts and financial records and the disbursement of city funds.

The short-term and long-term financial planning, cost allocation, labor contract costing, budget preparation and capital improvement plan coordination (of finances) are performed by the finance department. The budget is prepared in accordance with the city charter and the state's Uniform Budgeting Act. The budget function includes all the personnel costing, cost allocation, monitoring, amendments, forecasts and various financial reports.

The department accounts for approximately 50 funds and 150 cost centers, utilizing 5 different banking institutions. All account records are kept by the finance department showing all the financial transactions of the city including cash receipts, cash disbursements, revenues accrued and liabilities incurred and all transactions affecting the acquisition, custody, and disposition of city property and make such reports of the financial transactions and conditions of the city as required by law, ordinance, or resolution. The CAFR (Comprehensive Annual Financial Report) and compliance (financial) reports for state and federal purposes are prepared by the department as well.

Centralized accounts payable and (most of) payroll functions are performed within the department.

The department supports other city departments with their purchases by providing assistance with bid and quotation solicitation and review of responses for the procurement of goods and services and purchase order processing. The procurement process recently has become more centralized due to the re-establishment of one purchasing agent within the finance department.

In accordance with the city ordinance, the director of finance serves as the secretary, treasurer and chief administrative officer for the retirement system and the custodian of its assets. The department is responsible for the preparation of estimated and final pension benefit calculations, monthly pension benefit payments, day-to-day administration of the system and provides all of the data for the actuarial valuations. The director of finance also serves as the administrator to other retiree benefit plans.

The sale of municipal bonds and the maintenance of bond service payments are administered within the department along with the development of utility (water and sewage disposal) rates, various financial reports, certain aspects of risk management and assistance with grant reporting.

The director of finance is responsible for the other fiscal related functions such as treasury, assessing, and information technology departments.

GOALS

1. To accurately and timely record all financial transactions as to provide the best financial information to the city commission, city manager, residents and other users; continue to earn the GFOA Certificate of Achievement for Excellence in Financial Reporting.
2. To properly administer the purchasing, payroll, payables, pension functions and accomplish the numerous financial reporting requirements accurately and timely.

OBJECTIVES

- Comprehensive review of the general administration cost allocation and general liability cost allocation methodologies to look for opportunities for improvements.^{GOAL1}
- Provide, review, adopt and publish various city retirement system policies to provide for the improved administration of the city's retirement system.^{GOAL3}

GOALS

3. To facilitate the city's (fiscal) strategic planning and adoption of sound financial policies in an effort to effectively and efficiently manage the city's assets.
4. To develop reports including a budget plan document that excels as an operational guide, financial plan, policy document and communication devise.
5. Infrastructure – To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.

OBJECTIVES

- Work closely with departments to prepare more comprehensive goals, objectives and performance measures for all city functions to improve upon communication and the ability to benchmark.^{GOAL4}
- Complete financing for the ROCC, including the contract with the DDA, selection of underwriter, rating agency presentation and sale of bonds.^{GOAL5}
- Sell the bonds at a reasonable rate.^{GOAL5}
- Develop a comprehensive purchasing manual.^{GOAL2}

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
^{GOAL2} Bank Statements Reconciled	264	252	132	276	264	264
^{GOAL2} Accounts Payable Invoices Processed	15,458	14,868	7,633	15,000	15,000	15,000
^{GOAL2} General Payroll Checks/NODs Generated	12,699	12,210	6,615	13,000	13,000	13,000
^{GOAL1} Auditors Correcting Entries to Financial Statements	0	0	0	0	0	0
^{GOAL2} Estimate/Final Pension Calculations	15/17	30/16	5/5	40/20	40/20	40/20
^{GOAL4} GFOA Distinguished Budget Awarded	yes	yes	Yes	yes	yes	yes
^{GOAL4} GFOA CAFR Awarded	yes	yes	Yes	yes	yes	yes
^{GOAL2} Bids Prepared	35	29	11	30	50	50

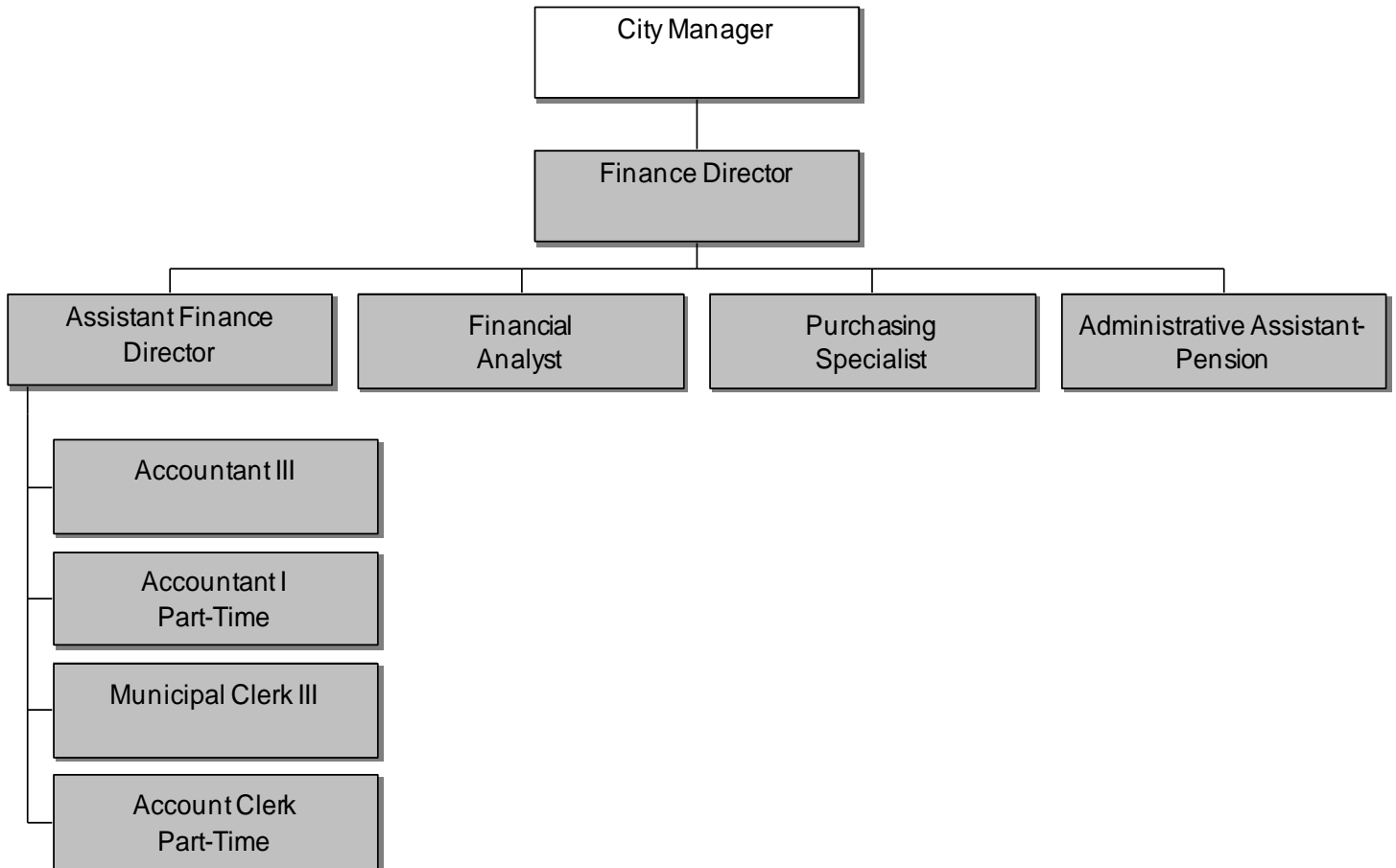
Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The personnel budget is increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases. Contracted services are budgeted to increase by \$1,000 for ongoing municipal (debt) services in accordance with the contract.

Budget Summary**Expenditures**

101.201 FINANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	716,080	3,120	0	8,500	0	727,700
2015-2016 Actual	766,030	2,740	0	8,000	0	776,770
2016-2017 Actual	793,150	2,500	0	7,080	0	802,730
2017-2018 Original Budget	688,400	3,000	0	31,200	0	722,600
2017-2018 Adjusted Budget (Dec)	688,400	3,000	0	31,200	0	722,600
2017-2018 Six Month Actual	307,500	670	0	15,340	0	323,510
2017-2018 Estimated Year End	656,920	3,000	0	29,950	0	689,870
2018-2019 Dept Request	682,660	3,000	0	31,750	0	717,410
2018-2019 Manager's Budget	682,660	3,000	0	31,750	0	717,410
2018-2019 Adopted Budget						
2019-2020 Projected Budget	704,840	3,000	0	32,850	0	740,690
2020-2021 Projected Budget	727,790	3,000	0	34,010	0	764,800
2021-2022 Projected Budget	751,520	3,000	0	35,220	0	789,740
2022-2023 Projected Budget	776,100	3,000	0	36,490	0	815,590

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Finance		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Director of Finance		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Asst. Finance Director		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Accountant III		0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Financial Analyst		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Accountant II		0.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0
Purchasing Specialist		0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Secretary I - Finance		0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payroll Clerk III		1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance - MC III		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative Assistant - Pension		0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Full-Time Total		5.6	5.0	5.0	5.0	6.0	7.0	7.0	7.0	7.0
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		2.0	2.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		7.6	7.0	5.0	5.0	6.0	7.0	7.0	7.0	7.0

*2008-2010 Contracted analyst not shown

The mission of the assessor's office is to annually provide the residents and property owners of Royal Oak with fair and equitable assessments; provide information to the general public that is accurate and reliable and mindful; provide information to other city departments efficiently and allowing them to better perform their duties; provide all of these services in a professional and courteous manner which complies with the Charter of the City of Royal Oak and the constitution and laws of the State of Michigan.

The assessor's office uniformly and accurately values all taxable property in the City of Royal Oak. The office is responsible for preparing the assessment rolls and tax rolls of the city for all classes of property subject to taxation. The state constitution and statutes require that, notwithstanding any other provision of law, the assessed values placed upon the assessment roll shall be at fifty percent (50%) of true cash value.

Passed by the voters in March of 1994, Proposal A placed additional limits on values used to compute property taxes. Starting in 1995, property taxes were calculated using "taxable value". This value is capped by the inflation rate multiplier until a property transfers ownership. Prior to Proposal A, taxes were calculated on the "State Equalized Value" (SEV). This value represents market or true cash value and changed annually regardless of changes in ownership.

The office is a valuable source of information for the public, maintaining data on each parcel of property in the city. This includes plat maps and record cards for over 25,000 real property parcels. Additionally, an outside vendor, by contract, maintains approximately 2,000 personal property parcels. The total parcels include these ad valorem parcels, Industrial Facilities Tax (IFT), Tax Increment Financing Authority (TIFA), Downtown Development Authority (DDA) and Brownfield Redevelopment Authority properties.

Another function of the assessor's office is to record, maintain and edit the status of each parcel of property in the city to determine whether it qualifies for a "principal residence exemption" for a portion of school tax. The office also analyzes deeds and affidavits on every

transferred property within the city that would trigger an "uncapping" of taxable value in accordance with Proposal A.

The administration of land divisions and combinations is the responsibility of the city assessor while coordinating review efforts with planning, building, engineering and treasury through completion with the Oakland County Land Division and the Land and Address Management System. The assessor assists and guides the property owner through the process. This procedure includes plat and condominium developments.

Change of assessment notices are mailed in February of each year and taxpayers are given the opportunity to protest their assessment before the city's board of review in March. The board of review is composed of six city residents, forming two boards working as one, appointed by the commission for two-year terms. The board has the discretion and authority to make adjustments to an individual's assessment if warranted.

General property tax law also provides for a special meeting of the board of review to be held on specific days in July and December for the purpose of correcting clerical errors or mutual mistakes of fact.

With the legal assistance of quality, professional outside counsel, the assessor's office is able to settle, dismiss, and defend the tax tribunal appeals that are brought against the city.

On or before the first day of July of each year, the city assessor delivers a certified copy of the assessment roll on which the city tax has been apportioned and spread, with the warrant annexed to the city treasurer.

The assessments are utilized with the millage rates adopted by the various taxing authorities (Oakland County Operating, Oakland County Parks & Recreation, Zoological Authority, Art Institute Authority, Public Transportation Authority, Huron-Clinton Metropolitan Authority, Berkley, Clawson and Royal Oak Schools, Oakland Community College, Oakland Schools ISD) to generate tax revenues for the authorities within the city's boundaries.

GOALS

1. To maintain fair assessments for all classes of property.
2. To improve the quality of service and information available to the public.
3. To keep accurate sale valuation, name, address and principal residence exemption files.
4. Compliment a quality board of review for March, July and December.
5. To review cost measures associated with the assessment function.
6. Defend assessments at the Michigan Tax Tribunal.
7. Meet STC guidelines regarding the annual review of properties.
8. Prepare all mandatory reports to insure proper collection of taxes.
9. Create and administer the process for all lot splits/combinations.
10. Prepare special assessment rolls.
11. Creation of new land value maps.

OBJECTIVES

- Review staff appraiser's methodologies to ensure proper uniformity of assessment practices.^{GOAL1}
- Scan all transfer documents, land division documents and name/address changes into BSA system for greater efficiencies in record keeping.^{GOAL3}
- Develop and maintain proper land value determinations in compliance with State requirements.^{GOAL7,11}
- Review all data for each sale to update record card information and determine accurate assessment values.^{GOAL3}

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
GOAL1 Assessment Notices Processed	27,536	27,579	27,579	27,600	27,650	27,650
GOAL7 Residential Property Appraisals	1,602	1,903	874	1,400	1,400	1,400
GOAL7 Commercial/Industrial Appraisals	175	254	107	300	300	300
GOAL6 Small Claims Tribunal Appeals	3	11	1	12	10	10
GOAL6 Full Tax Tribunal Appeals	10	11	0	15	15	15
GOAL3 Homestead Affidavits Processed	7,628	8,907	4,645	8,500	8,500	8,500
GOAL3 Transfer Affidavits Processed	2,337	2,686	1,168	2,700	2,700	2,700
GOAL1 Board of Review Appeals	390	275	140	350	360	360
GOAL1 Board of Review Adjustments	-3,173,580	-2,704,930	-912,360	-3,500,000	-3,400,000	-3,400,000
GOAL6 Tax Tribunal Decisions	30	40	7	50	40	40
GOAL6 Tax Tribunal Adjustments	-3,059,565	-279,980	-124,000	-1,100,000	-1,000,000	-1,000,000
GOAL1, GOAL3 Property Sales Reviewed	2,969	2,636	659	3,000	3,000	3,000
GOAL1 Property Transfers Uncapped	1,884	2,686	1,010	2,500	2,500	2,500
GOAL1 Equalization Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
GOAL9 Lot Splits/Combinations	19	32	14	30	30	30

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

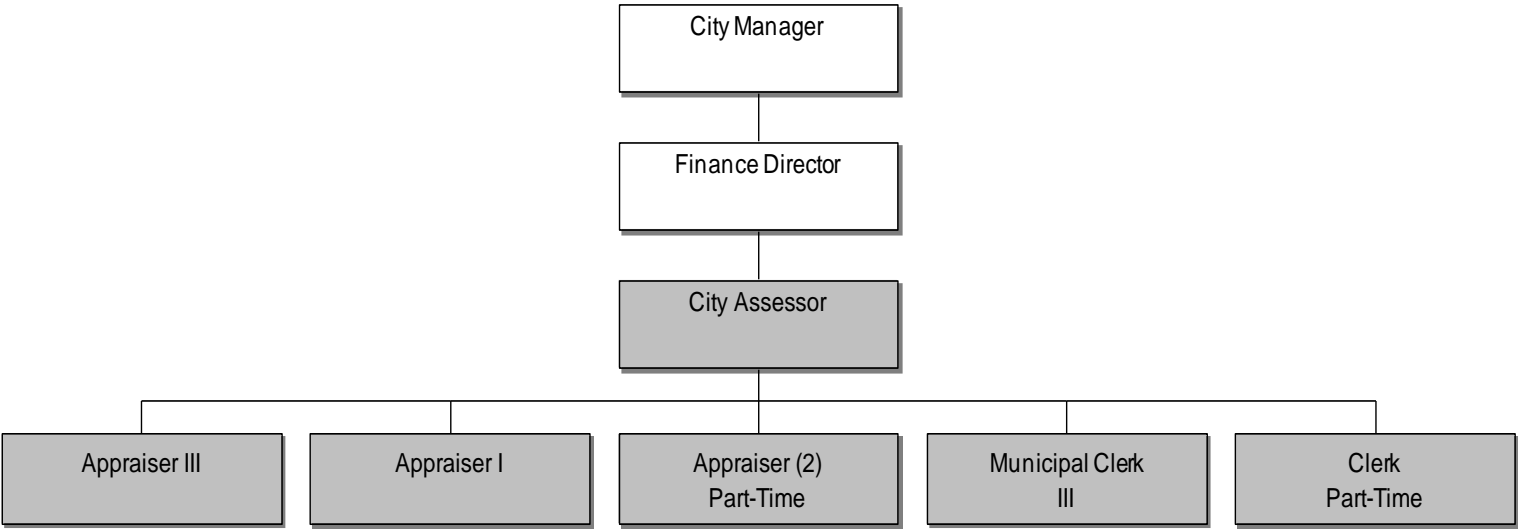
The personnel budget is increasing due to the potential for employees (who are not at the top of their pay range) to receive wage increases as well as a part-time appraiser position that was filled during fiscal year 2017-18 that will be filled for the entire year in fiscal year 2018-19. Overtime is increasing \$2,000 as a contingency for board of review. Contracted services are budgeted to increase \$8,200 relative to the fiscal year 2017-18 original budget due to an increase in the cost of the personal property tax contractor and appraiser fees for the Michigan tax tribunal. Motor pool charges are increasing due to a catch-up plan to collect depreciation that was not collected many years ago during an intentional depreciation (collection) vacation. This catch-up will help to provide the proper accumulation of funds that will be sufficient for the motor pool's future replacement.

Budget Summary

Expenditures

101.209 ASSESSOR	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	572,800	14,610	0	97,750	0	685,160
2015-2016 Actual	634,350	14,360	0	90,620	0	739,330
2016-2017 Actual	670,290	13,260	0	120,610	0	804,160
2017-2018 Original Budget	491,060	16,050	0	157,830	0	664,940
2017-2018 Adjusted Budget (Dec)	491,060	16,050	0	158,330	0	665,440
2017-2018 Six Month Actual	210,780	1,730	0	48,380	0	260,890
2017-2018 Estimated Year End	470,670	15,570	0	161,450	0	647,690
2018-2019 Dept Request	492,330	15,040	0	169,370	0	676,740
2018-2019 Manager's Budget	492,330	15,040	0	169,370	0	676,740
2018-2019 Adopted Budget						
2019-2020 Projected Budget	507,000	15,040	0	169,950	0	691,990
2020-2021 Projected Budget	522,160	15,040	0	170,540	0	707,740
2021-2022 Projected Budget	537,830	15,040	0	171,140	0	724,010
2022-2023 Projected Budget	554,020	15,040	0	171,760	0	740,820

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Assessing		Fiscal Year							
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
City Assessor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy City Assessor	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Appraiser III	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Appraiser I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assessing - MC III	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assessing - MC II	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assessing - MC I	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-Time Total	4.0	4.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	0.6	1.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	4.6	5.3	3.0	3.0	4.0	4.0	4.0	4.0	4.0

The mission of the City of Royal Oak attorney's office is to promote responsible government by providing highly professional legal counsel to the city commission, city departments, boards and committees, and city employees in all matters relating to any official duties.

The city attorney's office is established by the Royal Oak Charter (chapter III, section 22). The city attorney is appointed by, and is directly responsible to the city commission. The attorney serves as the legal adviser and counsel for the city and for all officers and departments in all matters relating to their official duties, and performs such other duties as may be imposed by the commission, either by ordinance or resolution.

The city attorney's office is an integral part of the criminal justice system, working with the police and code enforcement departments in the prosecution of misdemeanors and civil infractions in the district court.

The city attorney also prepares and reviews contracts and development agreements, reviews bonds and insurance policies, prepares ordinances, and manages all civil litigation for the city.

GOALS

1. General counsel - to provide sound legal advice in a timely manner.
2. Civil litigation – to provide the city with effective representation in all cases in which the city is a party.
3. Ordinance prosecution – to effectively prosecute city ordinance violations.
4. To advocate on behalf of the people of the City of Royal Oak in the best interests of justice.
5. To courteously handle inquiries from the general public regarding the city code and/or established city policies and procedures.
6. To provide on-going review of the city code to comply with the current state of the law and further the city commission's goals and objectives.
7. Infrastructure – To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
8. Fiscal Management – To preserve Royal Oak as a safe and healthy community through

OBJECTIVES

- Deal with any legal challenges as they emerge.^{GOAL7}
- Place a sidewalk funding millage on the November ballot.^{GOAL7}
- Continue process for establishing ROOTS as a 501(c)3 entity.^{GOAL8}
- Resolve the snow removal ordinance discussion.^{GOAL9}

sound fiscal policy, strategic planning, prompt decisive actions and effective management of taxpayer's assets.

9. Public Safety – To protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner.

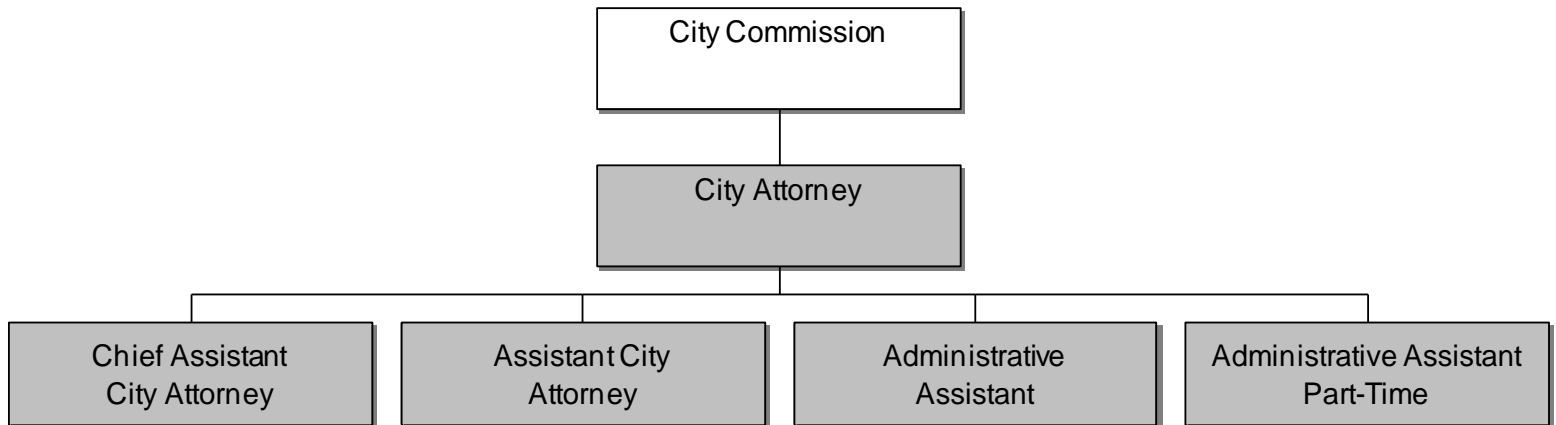
Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing due to newer employees (who are not at the top of their pay range) potentially receiving wage increases. Part-time wages are increasing due to an increase in hours and a potential wage increase. Overtime is decreasing \$2,000 relative to the fiscal year 2017-18 original budget as it is now used as comp time. Contracted legal services are increasing \$5,000 relative to the fiscal year 2017-18 original budget due to several complex development projects and related litigation. Office supplies, filing fees and miscellaneous expenditures will also increase slightly as a result of the continued litigation. Training is increasing \$250 as the attorneys would like to attend at least one continuing education event per year but have not been able to in recent years. Travel will increase \$150 due to attending additional training events and traveling to court for the development litigation.

Budget Summary**Expenditures**

101.210 ATTORNEY	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	643,270	12,110	0	149,760	0	805,140
2015-2016 Actual	570,570	11,920	0	166,280	0	748,770
2016-2017 Actual	533,830	12,250	0	198,660	0	744,740
2017-2018 Original Budget	528,040	15,360	0	125,870	0	669,270
2017-2018 Adjusted Budget (Dec)	528,040	15,360	0	125,870	0	669,270
2017-2018 Six Month Actual	220,580	5,580	0	51,470	0	277,630
2017-2018 Estimated Year End	479,440	15,360	0	131,610	0	626,410
2018-2019 Dept Request	516,390	15,500	0	131,650	0	663,540
2018-2019 Manager's Budget	516,390	15,400	0	131,650	0	663,440
2018-2019 Adopted Budget						
2019-2020 Projected Budget	533,440	15,400	0	131,650	0	680,490
2020-2021 Projected Budget	551,070	15,400	0	131,650	0	698,120
2021-2022 Projected Budget	569,320	15,400	0	131,650	0	716,370
2022-2023 Projected Budget	588,200	15,400	0	131,650	0	735,250

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Attorney	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
City Attorney	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Chief Assistant City Attorney	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Assistant City Attorney	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	1.0
Administrative Assistant	0.5	0.5	0.5	0.5	0.5	0.8	0.8	1.0	1.0
Full-Time Total	2.5	2.5	2.5	3.5	3.5	3.8	3.8	4.0	4.0

The mission of the city's clerk's office is to successfully serve the public and city commission as prescribed by federal and state law and the city charter, in addition to providing high quality customer service to city departments.

Pursuant to the city charter, the city clerk is the clerk of the city commission and with the mayor, signs and attests all ordinances; and keeps a journal of record of the city commission's proceedings. In addition, the city clerk performs such other duties as are prescribed by the charter, the general laws of the state, or by the city commission.

Such duties include the posting of all meeting notices, records and transcribe minutes for official city commission meetings and workshops in accordance with the Open Meetings Act. The clerk's office prepares all agenda items for city commission meetings via paperless e-mail packets, scanned into document imaging and put onto the city's website. The office prepares minutes for the following meetings: city commission, charter review, civil service, fire civil service commission and rules committee. The clerk's office is the keeper of official city records, processes freedom of information requests and serves as a notary public for city business.

The clerk's office provides birth and death certificates, dog licenses, dog park passes, bike licenses, valet licenses, special event permits, parking station permits, solicitation/peddler permits, dream cruise permits, parking permits; processes SDD/SDM and class C liquor license renewals, liquor transfers and bistro licenses; publishes legal notices, issues proclamations, sends updates of all ordinances to general code for codification; processes applications from residents who want to serve on city boards and committees maintaining a list of qualified candidates.

A do not knock list was established in December of 2012 in which the city clerk's office now keeps track of.

Since 2014, the office has been utilizing the electronic death registry system through the State of Michigan in which death certificates may now be e-filed.

In 2016, we successfully had all city commission minutes scanned and are now word searchable on the city's website for anyone to be able to search and view.

GOALS

1. To be in compliance with all acts / laws related to the duties of the clerk's office.
2. To effectively administer the clerk office's license and permit process while providing excellent customer service to license and permit holders.
3. To provide excellent and efficient official record keeping by use of technology, while keeping records safe and accessible.

OBJECTIVES

- Implementation of Seamless docs for our online dog licensing this spring. Moving forward all forms that require payment will be available online.^{GOAL2}
- Stay active in statewide clerk's associations to have our concerns addressed and to be informed of new acts/laws being implemented.^{GOAL1}
- Utilizing document imaging for scanning all documents in office.^{GOAL3}
- Utilizing EDRS (Electronic Death Registry System) with the State of Michigan. This allows funeral homes to file death certificates electronically which reduces wait time when filing death certificates.^{GOAL3}

Performance Indicators / Outcome Measures

	<u>Actual 2014</u>	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Actual 2017</u>	<u>Projected 2018</u>	<u>Projected 2019</u>
Documents Processed/Issued:						
GOAL2 Birth Certificates	5,205	6,184	6,701	6,903	6,000	6,000
GOAL2 Business Licenses (Annual)	129	183	16	11	20	20
GOAL2 Death Certificates	1,648	1,763	1,693	1,735	1,700	1,700
GOAL2 Dog Licenses	2,432	2,488	2,519	2,226	2,600	2,600
GOAL2 Dog Park Passes	243	235	237	264	270	280
GOAL1 Freedom of Information Act	87	116	129	121	130	140
GOAL2 Initial Merchants Licenses	30	11	0	0	0	0
GOAL2 Liquor License Renewals	52	52	55	55	55	55
GOAL2 Miscellaneous Business Licenses	130	99	72	52	60	70
GOAL2 Peddler Permits	67	37	56	58	60	60
GOAL2 SDD/SDM Renewals	38	37	36	37	40	40
GOAL2 Solicitation Permits	22	19	20	16	20	20
GOAL2 Special Event Permits	39	55	55	55	50	50
GOAL2 Woodward Dream Cruise Permits	56	67	75	69	85	90

Note: City clerk's department performance measures are reported on a calendar year basis as opposed to a fiscal year basis

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

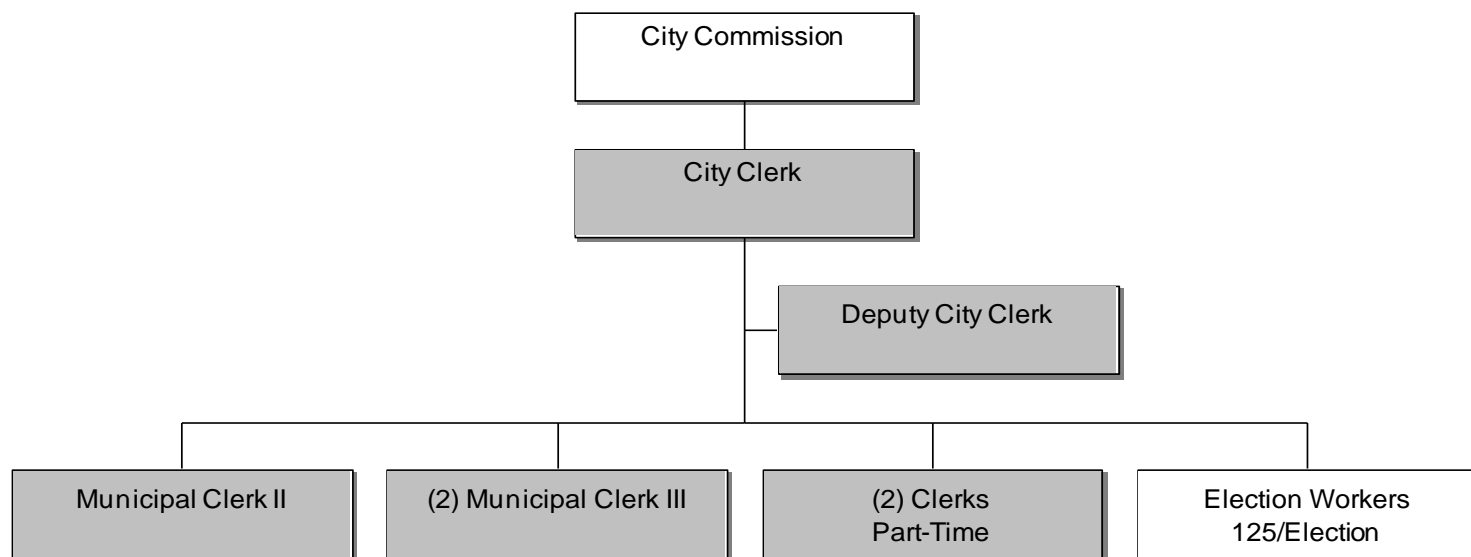
Part-time wages are increasing \$10,000 due to having both positions filled for the entire year. Office supplies were requested to remain at \$6,500 but are decreasing to \$5,000 in the city manager's recommended budget.

Budget Summary

Expenditures

101.215 CLERK	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	374,890	12,160	0	16,630	0	403,680
2015-2016 Actual	403,400	14,900	0	31,930	0	450,230
2016-2017 Actual	408,370	8,310	0	20,050	0	436,730
2017-2018 Original Budget	300,460	17,500	0	44,500	0	362,460
2017-2018 Adjusted Budget (Dec)	300,460	17,500	0	44,500	0	362,460
2017-2018 Six Month Actual	125,960	3,040	0	3,510	0	132,510
2017-2018 Estimated Year End	289,150	17,660	0	21,900	0	328,710
2018-2019 Dept Request	313,790	17,500	0	21,900	0	353,190
2018-2019 Manager's Budget	313,790	16,000	0	21,900	0	351,690
2018-2019 Adopted Budget						
2019-2020 Projected Budget	323,920	16,000	0	21,900	0	361,820
2020-2021 Projected Budget	334,390	16,000	0	21,900	0	372,290
2021-2022 Projected Budget	345,230	16,000	0	21,900	0	383,130
2022-2023 Projected Budget	356,460	16,000	0	21,900	0	394,360

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

City Clerk	Fiscal Year									
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	
<u>Full-Time Positions</u>										
City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Deputy City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
CS III - Purchasing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
City Clerk - MC III	1.0	2.0	2.0	3.0	2.0	2.0	2.0	2.0	2.0	
City Clerk – MCII	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	
City Clerk - MC I	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	0.0	
Cashier II	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Full-Time Total	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions	0.3	0.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Cost Center Total	4.3	4.7	4.0	5.0	5.0	5.0	5.0	5.0	5.0	

The mission of the human resources department (HR) is to provide our customers – management, employees, retirees, applicants and the general public – with efficient, effective and courteous human resources services within legal, professional and ethical parameters.

The department coordinates and administers the recruitment, screening, selection, and onboarding of new employees, consistent with federal and state laws and local civil service ordinance. It manages the classification, promotion, transfer and evaluation of employees consistent with union contract provisions, civil service rules and city goals and objectives.

HR administers compensation and benefit plans for employees consistent with contract provisions and applicable laws, including leave benefits, tuition reimbursement, deferred compensation, and special pays. This includes 72 different health plans that provide health, dental, vision, life and supplemental insurance for all employees and retirees including monthly billings, liaison duties with providers, and processing of employee/retiree status changes, including Medicare A, B & D (dependents and beneficiaries, etc.). The office maintains applicant, employee and retiree records.

HR assists in negotiating, interpreting and administering nine (9) union contracts, resolving grievances and participating in Act 312 and grievance arbitration.

HR provides counseling and assistance to department heads and employees relevant to personnel issues and coordinates/facilitates training to meet department and city needs.

The department reports and/or monitors workers' compensation and unemployment compensation claims with third party administrators; ensures compliance with the Affordable Care Act, MIOSHA, accident/injury policies and procedures, and collective bargaining agreements; performs liaison duties with workers' compensation clinics for employee injuries, new hire physicals and DOT drug testing program and requirements.

HR develops, distributes and monitors city policies such as sexual harassment, EEO, ADA, Family and Medical Leave Act, workplace violence, employee assistance, drug free workplace, nepotism, etc.

The human resources department staffs the civil service board and fire civil service commission. It also provides representation to safety committees and the city-sponsored health and wellness center.

GOALS:

1. To promote lawful, nondiscriminatory, and ethical personnel actions and policy decisions.
2. To facilitate the culture of a qualified, productive and diverse workforce.
3. To provide equitable and cost-effective benefit packages for the city's workforce.
4. Operations – To perform all city operations as efficiently and effectively as possible. This includes, but is not limited to internal communications, technology, innovation and financial management.

OBJECTIVES:

- Review organizational structure and wage schedules.^{GOAL3}
- Provide more opportunities for employee training.^{GOAL2}
- Update aging employment policies.^{GOAL1}
- Improve onboarding process and retention strategies.^{GOAL2}

- Implement a Disney customer service refresher course for new employees.^{GOAL4}
 - Develop succession plans to anticipate near term retirements, and over time, develop succession plans for all levels of staff, providing opportunities for employee development, including potential for job sharing as departures become imminent.^{GOAL4}
-

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs will increase due to filling the full-time vacant position that was approved for fiscal year 17-18 as well as the potential for employees (who are not at the top of their pay range) to receive wage increases. The previously listed recruitment coordinator position was relabeled as an additional human resources specialist position. Placing it under this pre-existing job classification will allow us to recruit for a more broadly skilled and technically proficient individual- and align the previously approved wage request within the city's existing wage structure. Recruitment (and retention) will continue to be an important aspect of the new position, per the commission's strategic planning objectives. Medical services were requested to increase \$13,000 relative to the fiscal year 2017-18 projection to \$38,000 as turnover was less than expected. However, the city manager's recommended budget is \$35,000. Contracted services includes \$20,000 for policy training, \$10,000 for FMLA administration and \$6,300 for miscellaneous small items in the event HR needs to produce communications regarding healthcare, the clinic, or other unexpected items. Civil service examinations will increase \$10,000 due to a new fire promotion system that will have higher upfront costs and overall turnover in civil service positions is expected to increase. Travel costs were requested to increase \$500 for employees to attend training events and to cover travel expenses of out of state job candidates. However, the city manager's recommended budget only includes a \$100 increase to \$600.

Performance Indicators / Outcome Measures

	Actual	Actual	Dec 31	Projected	Projected	Projected
	<u>FY15-16</u>	<u>FY16-17</u>	<u>2017</u>	<u>FY17-18</u>	<u>FY18-19</u>	<u>FY19-20</u>
GOAL2 Labor Contracts Negotiated	6	6	6	6	6	4
GOAL2 % of Labor Contracts Settled	100	100	100	100	100	66
GOAL1 Employees Hired (FT/PT)	92	201	69	130	160	160
GOAL2 Applications Processed (FT/PT)	688	2,674	1,954	4,000	4,500	4,500
GOAL2 Promotions/Transfers/Terminations Processed	84	124	92	170	170	170
GOAL3 Worker's Comp Claims Processed	44	50	28	55	55	55
GOAL3 Administration/Processing of Benefits for Insurance Enrollees	771	782	770	770	770	770
GOAL3 FT HR Staff to FT Workforce Ratio	1:100	1:102	1:83	1:83	1:83	1:83
Residents rated friendly	n/a	n/a	n/a	n/a	n/a	n/a
Residents rated helpful	n/a	n/a	n/a	n/a	n/a	n/a
Residents rated efficient	n/a	n/a	n/a	n/a	n/a	n/a

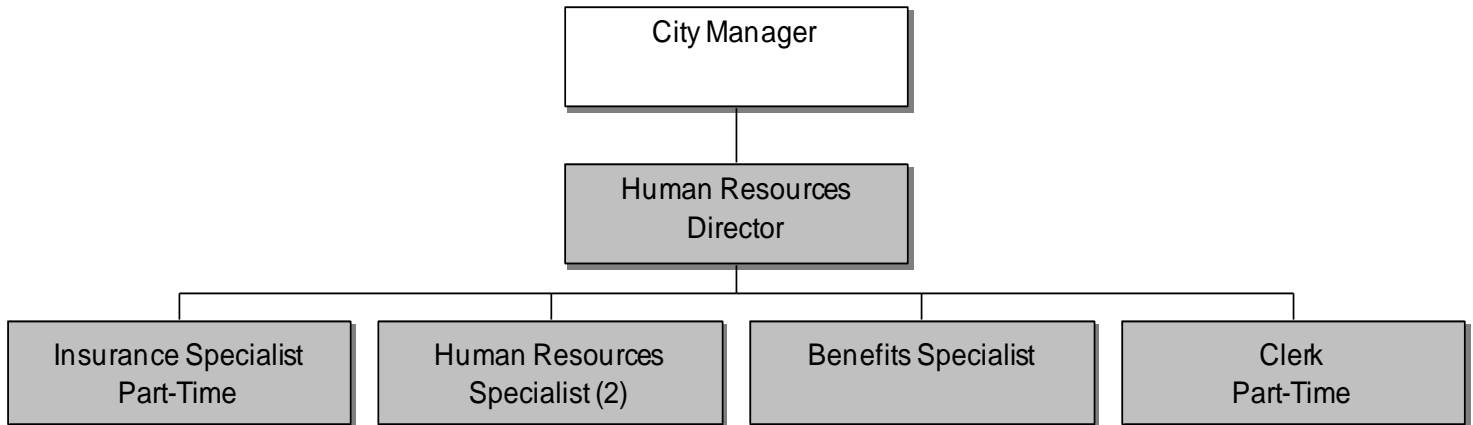
**includes election workers for presidential election*

Budget Summary

Expenditures

101.226 HUMAN RESOURCES	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	334,440	1,070	0	110,210	0	445,720
2015-2016 Actual	407,470	2,790	0	194,970	0	605,230
2016-2017 Actual	420,860	1,570	0	189,480	0	611,910
2017-2018 Original Budget	384,370	2,100	0	351,350	0	737,820
2017-2018 Adjusted Budget (Dec)	384,370	2,100	0	351,350	0	737,820
2017-2018 Six Month Actual	136,900	550	0	107,530	0	244,980
2017-2018 Estimated Year End	296,490	2,100	0	268,350	0	566,940
2018-2019 Dept Request	409,370	2,100	0	294,850	0	706,320
2018-2019 Manager's Budget	409,370	2,100	0	291,450	0	702,920
2018-2019 Adopted Budget						
2019-2020 Projected Budget	423,180	2,100	0	291,450	0	716,730
2020-2021 Projected Budget	437,480	2,100	0	291,450	0	731,030
2021-2022 Projected Budget	452,280	2,100	0	291,450	0	745,830
2022-2023 Projected Budget	467,600	2,100	0	291,450	0	761,150

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Human Resources		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Human Resource Director		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Human Resource Specialist		0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	2.0
Benefits Specialist		0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Recruitment Coordinator		0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0
Secretary I - HR		1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0
H/R - MC III		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
H/R - MC II		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-Time Total		2.0	2.0	2.0	2.0	3.0	3.0	3.0	4.0	4.0
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		0.9	0.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		2.9	2.6	2.0	2.0	3.0	3.0	3.0	4.0	4.0

The general administration cost center records charges that are general fund responsibilities but are not specifically assigned to any user due to their subjective nature.

Administrative charges for non-specific items are recorded here to monitor total cost. There are numerous general costs expended in this cost center such as property and general liability insurance costs, information technology service charges, audit services, a portion of bank

services charges, tax correction/adjustments. In fiscal year 2016-17 the Royal Oak City Center consulting costs were expended in this cost center. Beginning in fiscal year 2017-18, the principal and interest payments for the general fund's portion of the OPEB and pension bonds are expended in this cost center.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Expenditures are decreasing mostly due to a one-time outlay related to the office development project.

Budget Summary

Expenditures

101.248 ADMINISTRATION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	1,930	0	0	760,270	0	762,200
2015-2016 Actual	(1,750)	0	0	1,057,460	0	1,055,710
2016-2017 Actual	0	0	0	1,216,590	0	1,216,590
2017-2018 Original Budget	0	0	0	7,085,650	2,439,820	9,525,470
2017-2018 Adjusted Budget (Dec)	0	0	0	7,085,650	2,439,820	9,525,470
2017-2018 Six Month Actual	270	0	0	647,740	1,832,270	2,480,280
2017-2018 Estimated Year End	1,240	0	0	7,018,190	2,459,570	9,479,000
2018-2019 Dept Request	0	0	0	939,520	2,465,000	3,404,520
2018-2019 Manager's Budget	0	0	0	939,520	2,465,000	3,404,520
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	0	1,020,380	2,464,000	3,484,380
2020-2021 Projected Budget	0	0	0	1,063,800	2,463,000	3,526,800
2021-2022 Projected Budget	0	0	0	1,109,980	2,464,000	3,573,980
2022-2023 Projected Budget	0	0	0	1,159,160	2,461,000	3,620,160

The mission of the treasurer's office is to effectively and efficiently collect, secure, invest, and disburse all city monies; which includes tax billing, water billing, accounts receivables, special assessments, parking funds, and numerous miscellaneous receivables and disbursements.

All taxes, special assessments, and license fees, accruing to the city, are collected by the city treasurer. All money received by any officer or employees of the city for or in connection with the business of the city is paid to the city treasurer and deposited to one of the approved banking institutions. The treasury office collects and redistributes property taxes for all of the various taxing authorities within the city including: Oakland County, Oakland County Parks & Recreation, the Zoological Authority, the Public Transportation Authority, the Huron-Clinton the Metropolitan Authority, Berkley, Clawson and Royal Oak Schools, Oakland Community College, Oakland Schools ISD.

In addition, the office handles all accounts receivable billing, water/sewer utility receipts, rehab loan accounting, parking permits, collection, balancing and accounting for city revenues collected by the cashier and the reconciliation and posting of all revenues collected at off-site locations.

The treasurer is responsible for cash management: investing and tracking investments

of city funds, the strategic planning of investments to cover regular monthly planned expenditures, such as accounts payable, payroll and retirement, as well as, cash flow planning for less-regular expenditures, such as large construction contract or semi-annual bond payments.

The office has continued to add value to the city's investment portfolio through diversification and has worked diligently to improve the yield of the investments while maintaining the safety of principal. This department consistently looks for ways to offer better services and a more effective use of funds through a greater use of bank products and services and improved technology.

Beginning December 2015, Royal Oak property owners have the option of paying tax bills and water bills online with a credit card, debit card or e-check from the city website through "Official Payments". In addition, the city is offering direct debit payments for water bills. These electronic payment programs have been tremendously popular, with over 6,600 residents, or 27% of our total customer base.

For improved customer service, treasury has worked to expand the acceptance of credit cards to other departments. For convenience, customers can now pay for various city services, permits and certificates at the building department, clerk's office, treasurer's office, DPS, the library, and parks and recreation.

GOALS

1. To develop and implement treasury related processes to improve efficiencies and reduce costs.
2. To manage the tax administration and receivables programs in compliance with all applicable laws and internal controls.
3. To administer the cash management program with the effect of increasing returns and decreasing cost.
4. To train and educate employees to keep them up to date on all relevant laws.

OBJECTIVES

- Cross train cashier, accounting, and water staff to better serve customers.^{GOAL4}
- Increase staff efficiency through reviewing current procedures and practices, and making changes to streamline their processes and increase accuracy.^{GOAL1}
- Review tax and water bill formats with the goal of simplifying the text to improve clarity and readability for the customer.^{GOAL1}

GOALS

OBJECTIVES

- Provide expanded opportunities for paying online, specifically for special assessments and miscellaneous invoices.^{GOAL1}
- Reduce call volume by promoting and increasing online access use by realtors, mortgage companies, title companies, landlords, and tax preparers.^{GOAL1}
- Develop a cash flow model to more efficiently determine cash needs and investment opportunities.^{GOAL3}

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
^{GOAL2} Tax bills generated	61,032	62,018	59,382	61,050	61,328	61,428
^{GOAL2} Water bills generated	91,045	96,332	50,956	99,122	99,678	100,234
^{GOAL2} Phone calls received	32,985	41,791	20,173	40,000	40,000	40,000
^{GOAL1} Direct Debit Customers (W & S)	2,657	2,306	2,456	2,500	2,750	3,000
^{GOAL1} % Participation in Automatic Bill Pay	0.7%	9.6%	10.2%	10.4%	11.4%	12.5%
^{GOAL2} Invoices Billed	761	862	424	800	840	882
^{GOAL2} Special Assessments Billed	4,511	4,560	4,227	6,871	4,500	4,500
^{GOAL3} FTE's per Resident Ratio	1:13,750	1:13,750	1:13,750	1:13,750	1:13,750	1:13,750

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

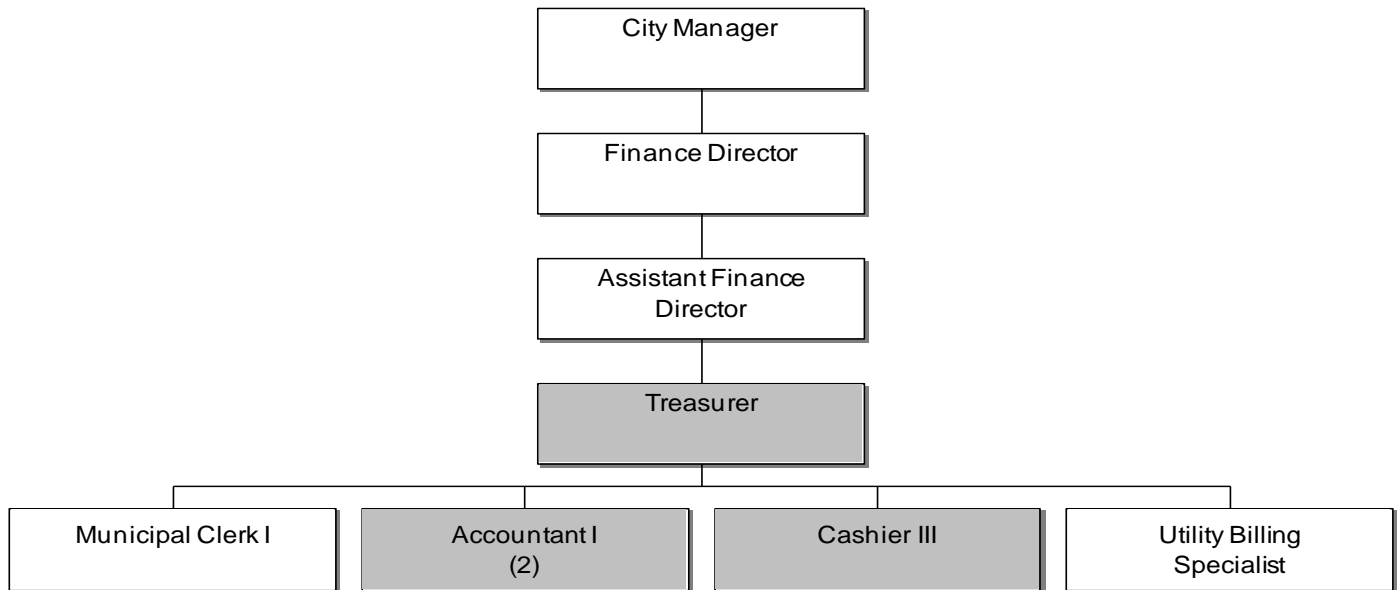
Personnel costs are decreasing relative to fiscal year 2017-18 due to lower management expenses and the net effect of adding a full-time municipal clerk I and eliminating all part-time hours. Printing costs are increasing \$3,500 to mail out tax bills to all residents instead of just non-mortgage residents. Postage and mailing costs are increasing \$5,000 relative to the fiscal year 2017-18 projection due to the increased number of tax bills. Training is increasing \$1,500 relative to the fiscal year 2017-18 projection as employees will be able to attend training events once the department is back to full staffing.

Budget Summary

Expenditures

101.253 TREASURER	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	197,800	1,220	0	11,960	0	210,980
2015-2016 Actual	199,000	1,490	0	10,810	0	211,300
2016-2017 Actual	227,010	5,280	0	13,280	0	245,570
2017-2018 Original Budget	235,370	4,500	0	48,000	0	287,870
2017-2018 Adjusted Budget (Dec)	235,370	4,500	0	48,000	0	287,870
2017-2018 Six Month Actual	163,850	1,140	0	12,200	0	177,190
2017-2018 Estimated Year End	287,470	4,250	0	37,210	0	328,930
2018-2019 Dept Request	235,720	2,750	0	47,030	0	285,500
2018-2019 Manager's Budget	235,720	2,750	0	47,030	0	285,500
2018-2019 Adopted Budget						
2019-2020 Projected Budget	243,690	2,750	0	47,030	0	293,470
2020-2021 Projected Budget	251,920	2,750	0	47,030	0	301,700
2021-2022 Projected Budget	260,450	2,750	0	47,030	0	310,230
2022-2023 Projected Budget	269,280	2,750	0	47,030	0	319,060

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Treasurer	Fiscal Year									
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	
<u>Full-Time Positions</u>										
City Treasurer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Deputy City Treasurer	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
Accountant II	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	0.0	
Cashier II	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	
Cashier III	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	
Treasurer - MC II	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	
Accountant I	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	2.0	
Full-time Total	4.0	4.0	4.0	3.0	3.0	4.0	4.0	4.0	4.0	
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions	0.9	0.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Cost Center Total	4.9	4.6	4.0	3.0	3.0	4.0	4.0	4.0	4.0	

Note: Water billing municipal clerk III is in the water and sewage billing section.

The city office building cost center records the operating, repair and maintenance charges for the city hall.

The city office building budget includes city hall building costs, under the city engineer for all departments.

Building costs primarily involve external vendors. The largest operating costs are utilities (electric, gas, water and telephone), postage, janitorial service and supplies. Repairs and maintenance costs include building trades (HVAC, plumbing, electrical, elevator).

GOALS

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing due to all of the day porter's time being allocated to this cost center as opposed to fiscal year 2017-18 which had some allocated to engineering. Cleaning supplies are increasing \$600 due to an expected increase in pricing and to add air fresheners to the bathrooms. Building repairs and maintenance are increasing \$500 due to electrical issues that need to be addressed. Heating and cooling repairs are decreasing \$4,000 relative to the fiscal year 2017-18 original budget as items that break frequently have been fixed and costly repairs will be carefully considered before doing them as a new city hall will be built soon. Motor pool fixed charges were requested to be \$7,000 but were reduced to \$6,000 in the city manager's recommended budget.

Expenditures

101.265 CITY OFFICE BUILDING	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	3,710	7,620	0	344,180	0	355,510
2015-2016 Actual	4,430	5,960	0	388,820	0	399,210
2016-2017 Actual	54,700	11,330	0	262,280	0	328,310
2017-2018 Original Budget	63,440	13,520	0	314,860	0	391,820
2017-2018 Adjusted Budget (Dec)	63,440	13,520	0	314,860	0	391,820
2017-2018 Six Month Actual	26,610	4,030	0	182,270	0	212,910
2017-2018 Estimated Year End	53,970	11,450	0	276,260	0	341,680
2018-2019 Dept Request	59,750	12,700	0	279,800	0	352,250
2018-2019 Manager's Budget	59,750	12,700	0	278,800	0	351,250
2018-2019 Adopted Budget						
2019-2020 Projected Budget	61,590	12,700	0	280,070	0	354,360
2020-2021 Projected Budget	63,490	12,700	0	281,380	0	357,570
2021-2022 Projected Budget	65,450	12,700	0	282,740	0	360,890
2022-2023 Projected Budget	67,500	12,700	0	284,150	0	364,350

Cost Center Position Detail - Home Base

Full & Part-time Employees

City Office Building		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Day Porter		n/a	n/a	n/a	n/a	n/a	n/a	1.0	1.0	1.0
Full-Time Total		n/a	n/a	n/a	n/a	n/a	n/a	1.0	1.0	1.0

The mission of the parks and forestry division is to build and maintain all city owned parks, playgrounds, athletic fields and open spaces and the public trees; maintaining the urban forest, so that they are a source of pride and enjoyment for residents and visitors alike.

The parks and forestry division of the department of public service are responsible for the 50 parks and playgrounds throughout the City of Royal Oak with a combined acreage exceeding 310 acres. This includes a dog park on the east side. The city's recreation division puts on all programs in the parks.

The division maintains baseball, volleyball, football and soccer venues; basketball and tennis courts; picnic areas; and walking trails, signs, lighting and parking.

Although the city's namesake, the original Royal Oak, no longer lives, the forestry section is responsible for over 23,000 trees. These include trees in the parks, central business district, parkways and easement areas of roads, golf

courses, cemetery and city owned open spaces (e.g. around the library).

Every fall, this crew and the highway division make two or more passes to remove fallen leaves from the city's streets; this service is paid for by the solid waste fund.

During the winter, they perform snow and ice maintenance. Winter maintenance on city roads is charged to the major or local road fund as is appropriate; to the DDA development fund for the central business district; and to the auto parking fund for parking lots and decks.

During the growing season, duties include removing dangerous or fallen branches and debris, cutting grass, controlling park weeds, and tending streetscapes and banners. Charges for these services are distributed to the proper funds as well.

GOALS

1. To maintain the city's park grounds in accordance with maintenance schedules.
2. To provide quality facilities for recreation programs and support the use by all citizens of Royal Oak.
3. Support the community youth athletic organizations.
4. Improve the urban forest.
5. To minimize the city liability in city parks.
6. Community – To preserve neighborhoods by encouraging community involvement and family activities.

OBJECTIVES

- Complete phase one of Normandy Oaks Park.^{GOAL6}
- Resurface tennis courts at Dickinson Park.^{GOAL2}
- Pave the parking lot at Mark Twain Park.^{GOAL1}
- Upgrade play equipment at Kenwood Park.^{GOAL2}
- Develop a soccer field at Upton Park.^{GOAL3}
- Continue to revamp city parks yearly and implement the five-year master plan.^{GOAL6}

Performance Indicators / Outcome Measures

	Actual	Actual	Dec 31	Projected	Projected	Projected
	<u>FY15-16</u>	<u>FY16-17</u>	<u>2017</u>	<u>FY17-18</u>	<u>FY17-18</u>	<u>FY18-19</u>
GOAL ¹ Hours Ball Diamonds Maintained	1,610	1,782	846	1,600	1,600	1,600
GOAL ¹ Hours Soccer / Football Fields Maintained/Lined	544	583	271	700	700	700
Trees Planted	119	123	10	200	200	200

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The development of Normandy Oaks will be a primary objective during the coming year. Overtime is increasing \$23,000 relative to the fiscal year 2017-18 original budget due to field prep work and installing play structures which often is done on weekends/after hours. Uniform and gear is increasing \$1,050 relative to the fiscal year 2017-18 original budget due to recently adding new employees. Safety gear is decreasing \$3,250 due to the one-time purchase of tree climbing gear in fiscal year 2017-18. Tools and hardware was requested to decrease \$6,500 relative to fiscal year 2017-18 projections due to purchasing chainsaws in 2017-18. However, the city manager's recommended budget is only decreasing \$4,500 to \$7,000. Sand, gravel, and slag was requested to increase \$8,000 to renovate grass infields for the baseball diamonds, but is only increasing \$3,000 to \$25,000 in the city manager's recommended budget. Water is increasing \$15,000 relative to the fiscal year 2017-18 original budget as the irrigation of parks has increased.

The following capital improvement projects for parks and forestry for fiscal year 18-19 are as follows (Deviates from CIP):

- Tennis court resurfacing Dickinson Park (Deviates from CIP) \$17,000
- Mark Twain Park parking lot paving 75,000
- Worden Park lighting replacement (Deviates from CIP) 325,000
- CAP1828 Kenwood Park play equipment upgrade 45,000
- Upton Park soccer field development 75,000

FY2018-19 Total:

\$537,000

Budget Summary

Expenditures

101.266 PARKS & FORESTRY	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	239,040	67,780	61,800	336,080	0	704,700
2015-2016 Actual	231,310	81,820	64,100	282,400	0	659,630
2016-2017 Actual	387,830	81,190	159,900	278,780	0	907,700
2017-2018 Original Budget	256,460	79,000	182,000	336,160	0	853,620
2017-2018 Adjusted Budget (Dec)	263,810	79,000	182,000	336,160	0	860,970
2017-2018 Six Month Actual	160,000	38,630	0	180,110	0	378,740
2017-2018 Estimated Year End	289,720	93,230	110,000	351,760	0	844,710
2018-2019 Dept Request	292,120	91,550	537,000	386,440	0	1,307,110
2018-2019 Manager's Budget	292,120	93,550	537,000	386,440	0	1,309,110
2018-2019 Adopted Budget						
2019-2020 Projected Budget	299,220	93,550	0	393,960	0	786,730
2020-2021 Projected Budget	306,550	93,550	0	401,700	0	801,800
2021-2022 Projected Budget	314,110	93,550	0	409,670	0	817,330
2022-2023 Projected Budget	321,910	93,550	0	417,870	0	833,330

Cost Center Position Detail - Home Base

Full & Part-time Employees

Parks & Forestry		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Supervisor of Parks & Forestry		1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment Repair worker		0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parks Maint Worker II		1.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Parks Maint Worker		0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parks/Forestry MC III		0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Full-Time Total		2.0	8.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		5.0	5.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		7.0	13.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0

The building maintenance cost center records the DPS personnel and vehicle charges for city hall repair and maintenance.

See also the general fund's city hall building (265) cost center for other charges for city hall operations, repairs and maintenance.

The building maintenance budget is under the director of public services. Personnel costs are for full-time DPS workers.

GOALS

1. Provide quality building repairs in timely manner.
2. Support other divisions as necessary during weather emergencies.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Overtime was requested to increase \$3,000 relative to the fiscal year 2017-18 original budget due to an increased number of afterhours building repairs however it is increasing \$5,000 in the city manager's recommended budget. Tools and miscellaneous operating supplies are both increasing \$1,000 relative to the fiscal year 2017-18 original budget due to the increase in repair work load and due to additional specialty tools have been needed to complete repairs.

Budget Summary

Expenditures

101.267 BUILDING MAINTENANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	195,070	5,770	0	13,740	0	214,580
2015-2016 Actual	226,390	227,750	0	18,760	0	472,900
2016-2017 Actual	254,270	10,250	0	16,020	0	280,540
2017-2018 Original Budget	144,120	8,560	0	17,770	0	170,450
2017-2018 Adjusted Budget (Dec)	144,120	8,560	0	17,770	0	170,450
2017-2018 Six Month Actual	73,580	2,760	0	8,880	0	85,220
2017-2018 Estimated Year End	148,930	10,810	0	17,770	0	177,510
2018-2019 Dept Request	142,710	10,560	0	21,280	0	174,550
2018-2019 Manager's Budget	145,710	10,560	0	21,280	0	177,550
2018-2019 Adopted Budget						
2019-2020 Projected Budget	149,780	10,560	0	21,710	0	182,050
2020-2021 Projected Budget	153,980	10,560	0	22,140	0	186,680
2021-2022 Projected Budget	158,340	10,560	0	22,580	0	191,480
2022-2023 Projected Budget	162,850	10,560	0	23,030	0	196,440

Cost Center Position Detail - Home Base

Full & Part-time Employees

DPS	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Full-Time Positions									
Bldg Maint Repair Worker II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Bldg Maint Repair Worker I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Full-Time Total	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0

The mission of the ordinance enforcement division of the building department is to enforce City of Royal Oak ordinances that address commercial and residential property maintenance, merchant licensing, and public health and safety issues; and to perform regular checks of all apartments, hotels, motels and houses offered for rent within the city.

The ordinance enforcement division inspects commercial and residential buildings for property

maintenance violations. Inspectors enforce local ordinances addressing problems such as blight, weeds, unlicensed/inoperable vehicles and other issues that may have a negative effect on property values. The ordinance enforcement division learns of these issues by responding to complaints in addition to proactively seeking violations.

The building department consists of two divisions: building inspection and ordinance enforcement.

GOALS

1. To protect the public safety, welfare and property values by enforcing regulations, nuisance abatements and other codes.
2. Apply a common sense approach to enforcement while maintaining the intent of city ordinances.
3. Respond to complaints within one business day.
4. Treat each resident and business owner with respect and understanding.
5. Enforce city ordinances in a fair and consistent manner.

OBJECTIVES

- Investigate options for a snow removal ordinance.^{GOAL1}

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
GOAL1 Percent of Non-homestead Properties Reviewed for Unlicensed Rental Activity	10	10	10	10	20	20
GOAL1 Percent of Complaints Responded to Within One Business Day	90	90	90	95	95	95
GOAL1 Percent of Questions Responded to Within Two Business Days	90	90	90	95	95	95
GOAL2 Rental Licenses Issued	1,940	1,592	895	1,788	1,800	1,800
GOAL1 Responses to Complaints	6,248	6,328	3,127	6,300	6,300	6,300
GOAL2 Scheduled Inspections Conducted	16,616	16,884	7,953	16,500	16,500	16,500

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

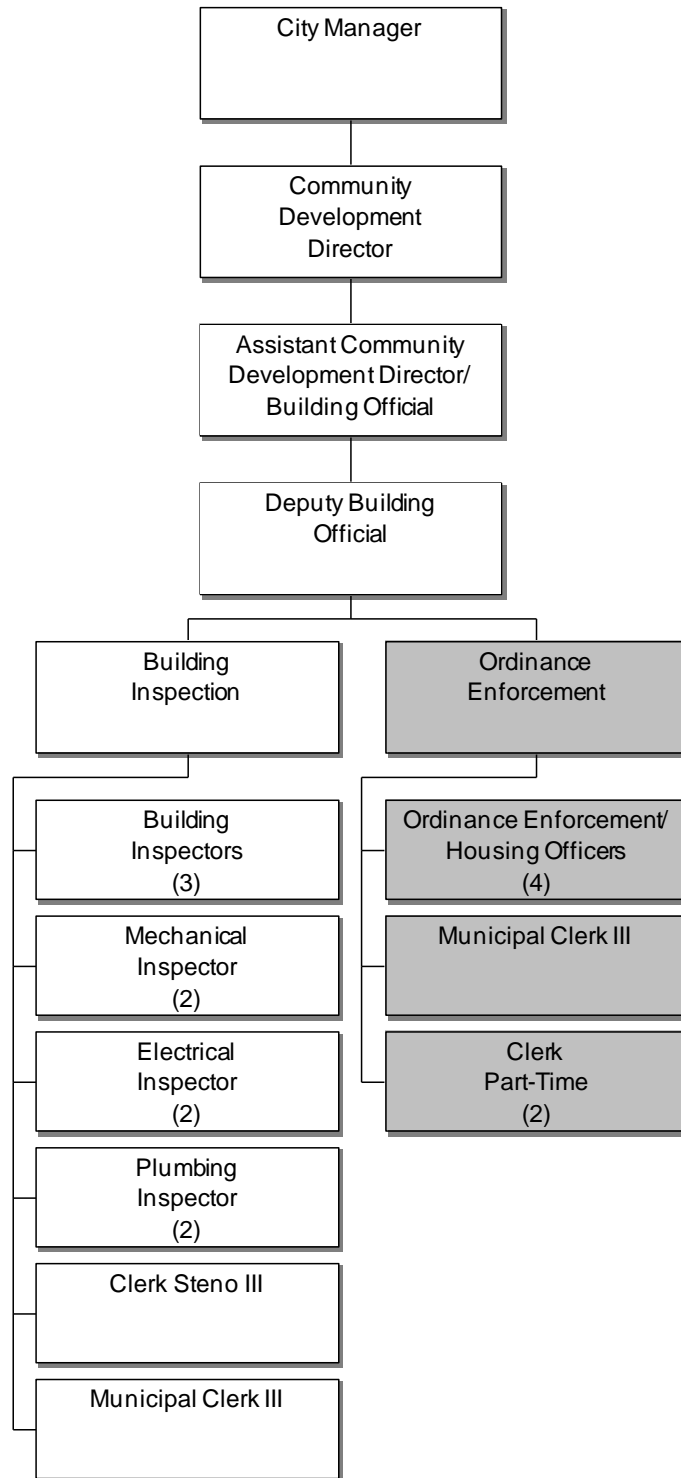
Personnel costs are increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases. Training and education is increasing \$500 due to newer employees requiring more training. Motor pool charges are increasing due to a catch-up plan to collect depreciation that was not collected many years ago during an intentional depreciation (collection) vacation. This catch-up will help to provide the proper accumulation of funds that will be sufficient for the motor pool's future replacement.

Budget Summary

Expenditures

101.372 ORDINANCE ENFORCEMENT	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	395,920	450	0	23,150	0	419,520
2015-2016 Actual	602,450	370	0	23,480	0	626,300
2016-2017 Actual	572,740	580	0	31,140	0	604,460
2017-2018 Original Budget	372,670	950	0	33,790	0	407,410
2017-2018 Adjusted Budget (Dec)	372,670	950	0	33,790	0	407,410
2017-2018 Six Month Actual	161,380	690	0	16,250	0	178,320
2017-2018 Estimated Year End	353,050	1,010	0	33,790	0	387,850
2018-2019 Dept Request	357,410	1,010	0	38,480	0	396,900
2018-2019 Manager's Budget	357,410	1,010	0	38,480	0	396,900
2018-2019 Adopted Budget						
2019-2020 Projected Budget	368,820	1,010	0	39,180	0	409,010
2020-2021 Projected Budget	380,620	1,010	0	39,890	0	421,520
2021-2022 Projected Budget	392,820	1,010	0	40,610	0	434,440
2022-2023 Projected Budget	405,460	1,010	0	41,350	0	447,820

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Code Enforcement		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Full-Time Positions										
Code Enforcement/Housing Officer		3.0	2.0	2.0	4.0	4.0	4.0	4.0	4.0	4.0
CS III - Inspection		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Housing Rehabilitation Officer		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Code Enforcement - MC II		1.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0
Code Enforcement - MC I		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-Time Total		4.0	2.0	2.0	5.0	5.0	5.0	5.0	5.0	5.0

The mission of the planning division of the community development department is to pro-actively oversee the physical and economic development of the city, in particular those areas under private ownership.

In fulfilling this mission, the planning division provides administrative support to the city commission and various advisory boards, most notably, the planning commission, zoning board of appeals, downtown development authority, Brownfield redevelopment authority, and the community development block grant program. The planning division also works closely with the business community and city residents, answering questions and addressing concerns in an effort to meet the needs of each within the context of the city's plans and ordinances.

The traditional role of the planning division, in the context of municipal government, involves foreseeing the various physical and economic development needs of a community and then providing for those needs through the preparation of various plans and ordinances, which may be considered for approval by elected and appointed officials.

In Royal Oak, this traditional role has been supplemented by the planning division's pro-active role and participation in the actual implementation of many physical and economic development plans or projects. This pro-active role has changed the nature of the division from a more passive one, concerned primarily with the preparation of plans, to one actively involved in every aspect of the city's physical and economic development.

A planning commission for the City of Royal Oak has been created and organized under the provisions of the Michigan Planning Enabling Act (PA No. 33 of 2008, as amended), and has the powers and duties therein specified. The planning commission meets monthly and is responsible for adopting and updating the city's master plan, reviewing and recommending changes to the zoning ordinance (including the rezoning of property), granting special land use permits, reviewing appeals to the city's sign ordinance, and reviewing site plans for all development except one-family and two-family dwellings. Interested parties are advised that the planning commission requires submission of applications

a minimum of 6 weeks prior to the meeting at which they are to be considered. This is to allow for the publication of public hearing notices required by state law and to provide ample time for staff to review applications and prepare written reports and recommendations for the planning commission.

All site plan applications are reviewed by a planner, as well as representatives from the building inspection, fire, engineering, and police departments. The petitioner is invited to make changes to the site plan based upon staff comments. Following any such changes, the site plan, along with written recommendations, are provided to the planning commission for formal review.

Special land use applications are reviewed by a planner and a written report is submitted to the planning commission describing the proposed use and how it may meet the requirements for granting a special land use permit in the city's zoning ordinance and state law. Applications for a special land use permit require a public hearing with notification published in a local newspaper and mailed to property owners within 300 feet of the site.

Applications for rezoning property are reviewed by a planner and a report is submitted to the planning commission describing the requested zoning district, how it may meet the requirements for a rezoning in the city's zoning ordinance and state law, and whether it is consistent with the future land use map of the city's master plan. Proposed text amendments to the city's zoning ordinance are typically prepared by staff in response to changes in state law, generally accepted planning and zoning principles, or by the specific direction of the planning commission, city commission, or city attorney. For each proposed amendment, staff prepares draft language for review by the planning commission, whose recommendation is then forwarded to the city commission. Rezoning and text amendments require a public hearing and public notification as previously noted.

A zoning board of appeals has been created and organized under the Michigan Zoning Enabling Act (PA 110 of 2006, as amended) and is charged with hearing requests for variances and interpretations to specific zoning ordinance provisions. It meets monthly and all appeals

require a public hearing and public notification as previously noted. Staff prepares a written report of findings on all appeals detailing the city's zoning ordinance standards for which variances are being sought and how the request may meet required standards for granting a variance in the zoning ordinance and state law. Considerable staff time is spent to ensure that all information is accurate and the appellant's intent is clear.

In addition to serving the above referenced duties, the planning division spends a great deal of time assisting both residents and businesses on questions regarding land use, zoning, and economic development. Many if not most of these inquiries and contacts do not result in items which appear on an agenda, but permit citizens and business owners to better understand city ordinances and policies.

The planning division also reviews plans submitted to the building inspection department for construction permits to ensure they comply with approved site plans. For major projects, this review can take as much time to complete as the original site plan review. If such building plans are found to comply with an approved site plan, then the division marks them as "approved" and returns them to the applicant or the building inspection department. If they are not, the

petitioner is advised what is needed to bring the plans into compliance. No additional application or fee is required by the planning division to complete this type of review.

Other tasks or issues involve a great deal of planning division staff time, such as new and renewed sidewalk café applications, license agreements for occupying a right-of-way and a variety of other purposes, right-of-way vacations, land divisions, liquor license requests, downtown newspaper boxes and bicycle racks, staff traffic committee meetings, zoning compliance inquiries, processing and reviewing Brownfield redevelopment plans, etc.

The planning division also maintains the city's Geographic Information System (GIS) as well as community development updates for the city's website.

Other Related Areas

See the budgets for the downtown development authority (DDA) operating fund, DDA (TIF) development fund, the community block grant fund, the housing assistance program, the Brownfield redevelopment authority (BRA) fund, engineering, and ordinance/state construction code.

GOALS

1. Provide professional / technical reviews and assistance on all phases of planning and zoning responsibilities for businesses and residents.
2. Provide technical support and expertise to the planning commission and zoning board of appeals, as well as the city commission.
3. Develop and propose policies which facilitate consistency with the city's master plan, as well as compatibility and harmony between land uses in the city, mitigating any potential adverse effects.
4. Assist businesses and homeowners to the greatest extent possible with new

OBJECTIVES

- Finalize the design and bid out the project.^{GOAL8}
- Complete the staging plan and rollout to the community.^{GOAL8}
- Schedule a work session with members of the city commission and planning commission to reconsider the action to direct the revision of the master plan and zoning ordinance.^{GOAL9}
- Complete a community visioning plan with a high quality public engagement effort as the master plan planning process unfolds.^{GOAL9}

GOALS**OBJECTIVES**

business proposals or expansions, building or home additions, etc., by directing them to the proper review body or application procedure.

5. When necessary, provide recommendations on whether the proposed activity is consistent with the zoning ordinance, master plan, other city ordinances and policies, and state law, and what, if any, contingencies of approval should be adopted.
6. Work with the city attorney and others to prepare such needed amendments to the zoning ordinance, zoning map, and master plan, and report on them to the planning commission and other necessary advisory boards and commissions.
7. Assist petitioners with their applications to the greatest extent possible without actually preparing the information and documents they need to provide.
8. Infrastructure – To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
9. Community – To preserve neighborhoods by encouraging community involvement and family activities.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing due to the request to add a full-time planner III and deleting the vacant community development liaison/planner II position created in fiscal year 2015-16 which was never filled. Contracted worker services includes \$200,000 for a master plan update. This is a \$50,000 increase to the original amount budgeted in fiscal year 2017-18 due to zoning ordinance re-writes being added to the scope of work.

Budget Summary

Expenditures

101.400 PLANNING & ZONING	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	269,690	2,210	0	13,810	0	285,710
2015-2016 Actual	292,210	1,730	0	51,450	0	345,390
2016-2017 Actual	352,090	1,270	0	60,420	0	413,780
2017-2018 Original Budget	201,390	1,900	0	164,280	0	367,570
2017-2018 Adjusted Budget (Dec)	201,390	1,900	0	164,280	0	367,570
2017-2018 Six Month Actual	93,270	310	0	4,810	0	98,390
2017-2018 Estimated Year End	205,750	1,900	0	14,280	0	221,930
2018-2019 Dept Request	269,600	1,900	0	214,280	0	485,780
2018-2019 Manager's Budget	269,600	1,900	0	214,280	0	485,780
2018-2019 Adopted Budget						
2019-2020 Projected Budget	278,320	1,900	0	64,280	0	344,500
2020-2021 Projected Budget	287,340	1,900	0	64,280	0	353,520
2021-2022 Projected Budget	296,690	1,900	0	64,280	0	362,870
2022-2023 Projected Budget	306,370	1,900	0	64,280	0	372,550

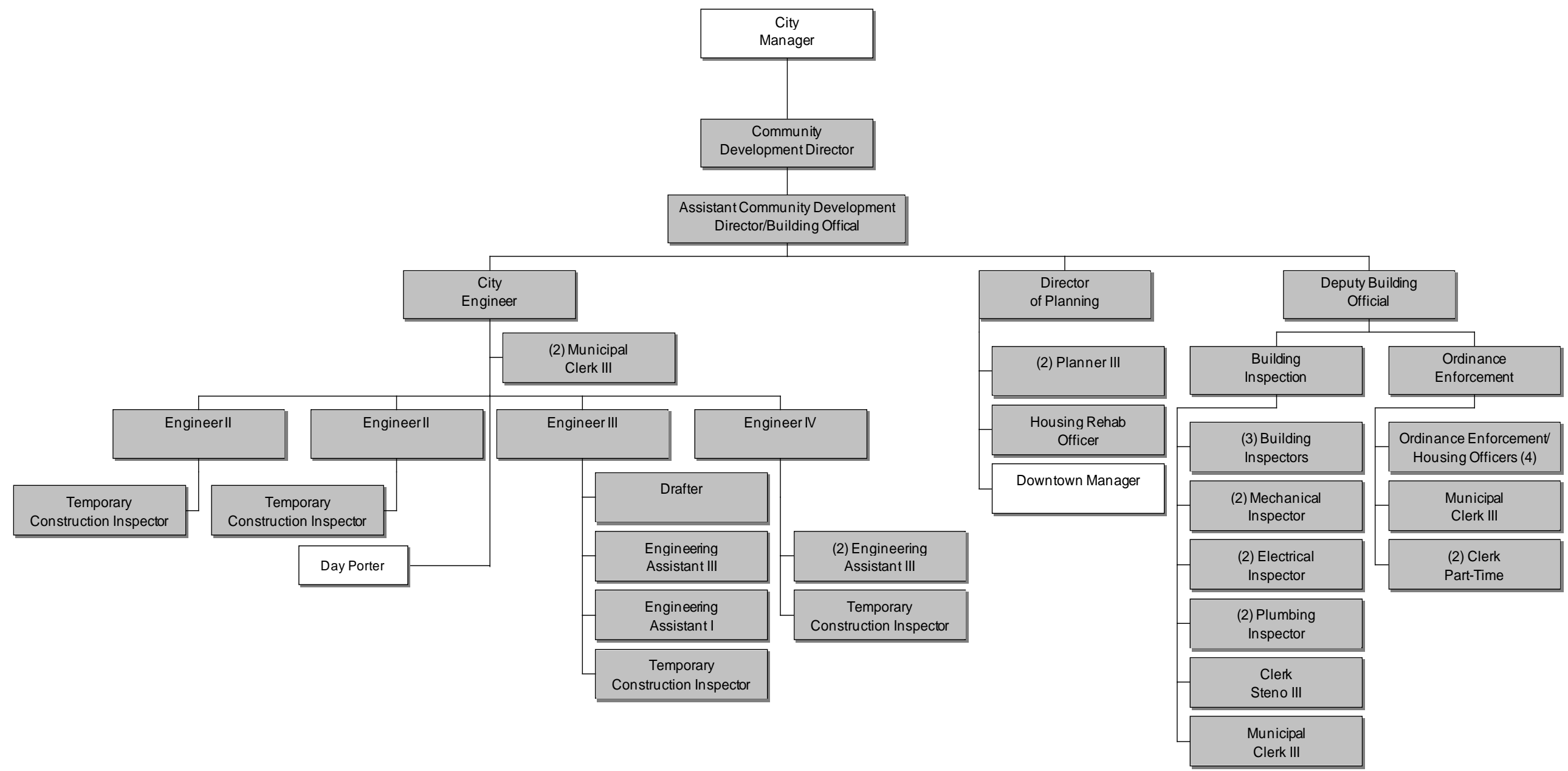
Cost Center Position Detail - Home Base

Full & Part-time Employees

Community Development		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Community Development Director		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Planning		0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Planner III		1.0	1.0	1.0	1.0	1.0	0.0	0.0	1.0	2.0
Planner II		1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0
Community Development Liaison / Planner II		0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.5	0.0
CS III - Planning		1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-Time Total		4.0	4.0	3.0	3.0	3.0	3.5	3.5	3.5	4.0

Note: Planning division staff costs are allocated to numerous other funds outside the general fund

Departmental Organization Chart



The mission of animal protection services is to capture dangerous, rabid and stray animals humanely and safely transport them to the animal shelter for safe keeping.

Animal protection services are supervised by the police department in the general fund. The city contracts with our neighbor for the shared services of the City of Berkley animal control officer and truck.

That officer captures dangerous or rabid animals for observation and/or treatment. They also pick up stray dogs and cats and transport them to the Royal Oak Animal Shelter for feeding and care (see fund 297).

The officer also picks dead animals from major streets with speeds over 35 mph. Residents and businesses are asked to pick up all other dead animals.

GOALS

1. To provide prompt animal control services as to keep the community safe from incidents.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Animal control services are expected to increase slightly from fiscal year 2017-18 due to an anticipated contract increase.

Budget Summary Expenditures

101.430 ANIMAL PROTECTION SERVICES	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	43,890	0	43,890
2015-2016 Actual	0	0	0	39,160	0	39,160
2016-2017 Actual	0	0	0	42,490	0	42,490
2017-2018 Original Budget	0	0	0	45,000	0	45,000
2017-2018 Adjusted Budget (Dec)	0	0	0	45,000	0	45,000
2017-2018 Six Month Actual	0	0	0	17,890	0	17,890
2017-2018 Estimated Year End	0	0	0	45,000	0	45,000
2018-2019 Dept Request	0	0	0	47,000	0	47,000
2018-2019 Manager's Budget	0	0	0	47,000	0	47,000
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	0	48,410	0	48,410
2020-2021 Projected Budget	0	0	0	49,860	0	49,860
2021-2022 Projected Budget	0	0	0	51,360	0	51,360
2022-2023 Projected Budget	0	0	0	52,900	0	52,900

Cost Center Position Detail - Home Base

Full & Part-time Employees

Animal Protection Services		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		1.3	1.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Part-Time Total		1.3	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0

The mission of the electrical division of the department of public service is to provide effective electrical service to the city hall.

The electrical cost center is under the director of public services and records the electrician's

personnel costs when servicing the city hall, his certification and tool costs. His other personnel time, cost, and electric materials and supplies are charged directly to the requesting department when used elsewhere.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Overtime is increasing \$1,500 relative to the fiscal year 2017-18 original budget due to an increased amount of calls for electrical repairs. Electrical and lighting supplies will increase \$4,000 relative to the fiscal year 2017-18 projection as this account is cyclical and based on need and less supplies were purchased than anticipated in fiscal year 2017-18.

Budget Summary Expenditures

101.443 ELECTRICAL	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	3,150	570	0	24,410	0	28,130
2015-2016 Actual	14,910	4,200	0	20,640	0	39,750
2016-2017 Actual	35,810	11,030	0	21,430	0	68,270
2017-2018 Original Budget	31,480	12,440	0	20,490	0	64,410
2017-2018 Adjusted Budget (Dec)	31,480	12,440	0	20,490	0	64,410
2017-2018 Six Month Actual	15,940	2,120	0	10,240	0	28,300
2017-2018 Estimated Year End	34,280	8,170	0	20,600	0	63,050
2018-2019 Dept Request	34,000	11,680	0	18,920	0	64,600
2018-2019 Manager's Budget	34,000	11,680	0	18,920	0	64,600
2018-2019 Adopted Budget						
2019-2020 Projected Budget	35,020	11,680	0	19,300	0	66,000
2020-2021 Projected Budget	36,080	11,680	0	19,690	0	67,450
2021-2022 Projected Budget	37,160	11,680	0	20,080	0	68,920
2022-2023 Projected Budget	38,290	11,680	0	20,480	0	70,450

Cost Center Position Detail - Home Base

Full & Part-time Employees

Electrical		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Electrician II		1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Electrician I		0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.5	0.5
Full-Time Total		0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.5	0.5
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		1.2	0.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		1.2	0.3	0.0	0.0	0.0	0.5	0.5	0.5	0.5

The mission of the engineering division is to develop and implement master plans and programs and to service and inspect public improvement in the city.

The Royal Oak engineering division is committed to providing sound, efficient and proactive engineering practices and techniques to maintain and improve the city's transportation, water and sewer and building assets. Working closely with Royal Oak's other departments; the engineering staff strives to partner the needs of the various departments with those of our residents and property owners for overall commitment to a high quality of life that can be attributed to our community's infrastructure.

The division's fiscal year 2018-19 budget targets the management of available resources to meet departmental goals and responsibilities. Current budget resources are comprised primarily of dedicated non-general funding sources and fees. The engineers, engineering assistants, draftspersons and clerical staff recognize their responsibility to the community they serve. The division employees are dedicated to efficiently managing community development requirements by assisting developers, contractors, residents and other city personnel, which results in timely and accurate resolutions of construction and development requirements. The Royal Oak

engineering division reaffirms its commitment and looks forward to serving the Royal Oak community.

The engineering cost center in the general fund covers the costs of communicating with the public and city staff, training and administration, and performing community development duties. The engineering division contributes fees from permits and plan reviews to the general fund to cover this cost center. The engineering staff charges the majority of their time to numerous budgets. Those charges can be direct or through capital projects, mostly affecting other funds such as the major street, local street, and the water and sewer funds.

For city infrastructure projects, engineering provides or contracts for the evaluation, planning and design skills to handle our many systems. Those systems include alleys, streets and parkways, on and off-street parking including lots and decks, streetscapes, sidewalks, bike paths, traffic signs and signals, city buildings and parks, water and sewer mains and connections.

The engineering division also oversees the traffic committee which actively reviews traffic safety, pedestrian safety, parking issues and recommends and implements approved actions.

GOALS

1. Effectively and efficiently review plans for consideration of public and private improvements and supervise construction.
2. Provide useful information to developers, builders, consulting engineers and residents regarding city utilities by maintaining and updating the city website for engineering involvement in community development.
3. Perform all city operations as efficiently and effectively as possible.
4. Infrastructure – To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.

OBJECTIVES

- Provide information on the street/sidewalk improvement plans to the public.^{GOAL4}
- Seek Oakland County Water Resources Commission commitment to require twelve local government units in the George Kuhn drainage area to reduce drainage flows to downstream communities.^{GOAL4}
- Develop a city-wide environmental sustainability plan to link together the range of infrastructure plans and projects that are unfolding.^{GOAL4}
- Review and update service fees every two years to insure costs (i.e. staff time,

GOALS

5. Community – To preserve neighborhoods by encouraging community involvement and activities.
6. Public Safety – To protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner.

OBJECTIVES

- enforcement, overhead, supplies, etc.) are covered.^{GOAL5}
- Implement a north-south bike route.^{GOAL6}

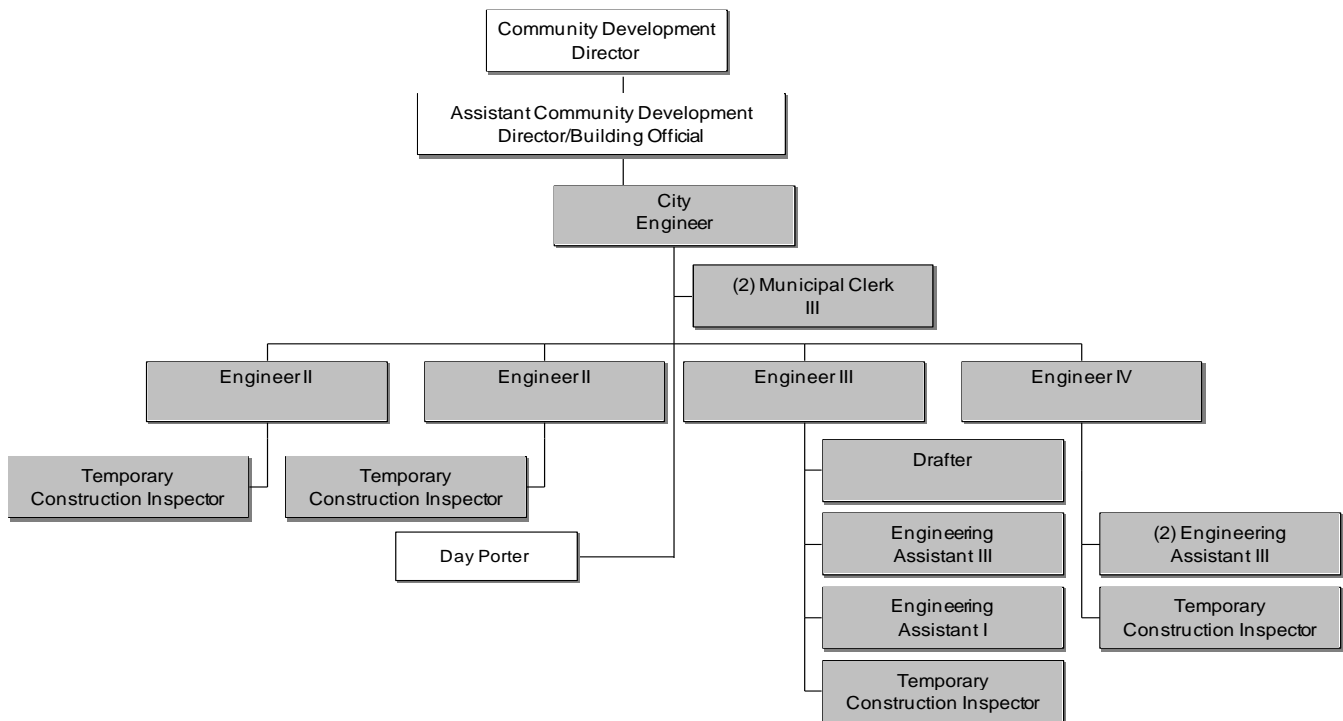
Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing relative to the fiscal year 2017-18 original budget as engineering staff is charging more time to general engineering due to an increase in the amount of permit, right of way, and plan review work. \$75,000 is being carried over from fiscal year 2017-18 for an environmental sustainability plan.

Budget Summary Expenditures

101.447 ENGINEERING	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	338,920	6,560	0	1,960	0	347,440
2015-2016 Actual	348,840	6,040	0	3,600	0	358,480
2016-2017 Actual	411,760	2,600	0	6,640	0	421,000
2017-2018 Original Budget	324,470	8,800	0	82,150	0	415,420
2017-2018 Adjusted Budget (Dec)	324,470	8,800	0	82,150	0	415,420
2017-2018 Six Month Actual	184,300	570	0	3,720	0	188,590
2017-2018 Estimated Year End	433,260	5,600	0	10,100	0	448,960
2018-2019 Dept Request	395,500	3,250	0	82,850	0	481,600
2018-2019 Manager's Budget	395,500	3,250	0	82,850	0	481,600
2018-2019 Adopted Budget						
2019-2020 Projected Budget	408,340	3,250	0	7,950	0	419,540
2020-2021 Projected Budget	421,630	3,250	0	8,050	0	432,930
2021-2022 Projected Budget	435,390	3,250	0	8,150	0	446,790
2022-2023 Projected Budget	449,640	3,250	0	8,260	0	461,150

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Engineering		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Full-Time Positions										
City Engineer		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Civil Engineer IV		0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0
Civil Engineer III		2.0	2.0	1.0	1.0	2.0	2.0	1.0	1.0	1.0
Civil Engineer II		0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	2.0
Civil Engineer I		0.0	0.0	1.0	1.0	0.0	2.0	1.0	1.0	0.0
Engineering Assistant IV		1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0
Engineering Assistant III		1.0	1.0	0.0	0.0	0.0	2.0	2.0	2.0	2.0
Engineering Assistant II		1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Engineering Drafter		2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0
CS III - Engineering		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Engineering - MC III		0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	2.0
Full-Time Total		9.0	9.0	7.0	7.0	8.0	13.0	12.0	12.0	12.0
Part-Time Positions (FTEs)										
Part-Time Positions		2.9	2.9	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		11.9	11.9	7.0	7.0	8.0	13.0	12.0	12.0	12.0

The mission of the street lighting cost center of the department of public service is to provide street lighting that is safe, effective and economical and that attracts residents, business and visitors to the City of Royal Oak.

The city pays Detroit Edison electrical charges for our street lighting. The DDA pays for street lighting electricity in the downtown; this budget pays for the balance. Electricity normally makes up over 95% of operating costs in this budget.

Detroit Edison owns certain street light poles and fixtures throughout Royal Oak; the city owns the majority. At this time, nothing is scheduled to replace the city's portion of the system.

When individual light poles and fixtures are damaged and destroyed, repair or replacement costs are charged to this cost center.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Overtime is increasing \$2,000 relative to the fiscal year 2017-18 original budget due to an increased number of calls for street light repairs. Miscellaneous contracted services are increasing \$6,000 relative to the fiscal year 2017-18 original budget as outside contractors are now being used for larger projects.

Budget Summary

Expenditures

101.448 STREET LIGHTING	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	2,150	7,560	0	812,620	0	822,330
2015-2016 Actual	5,380	48,500	0	815,560	0	869,440
2016-2017 Actual	7,930	26,000	0	799,550	0	833,480
2017-2018 Original Budget	7,970	15,000	0	893,000	0	915,970
2017-2018 Adjusted Budget (Dec)	7,970	15,000	0	893,000	0	915,970
2017-2018 Six Month Actual	3,830	250	0	282,630	0	286,710
2017-2018 Estimated Year End	9,650	15,000	0	859,000	0	883,650
2018-2019 Dept Request	9,920	15,000	0	859,000	0	883,920
2018-2019 Manager's Budget	9,920	15,000	0	859,000	0	883,920
2018-2019 Adopted Budget						
2019-2020 Projected Budget	10,130	15,000	0	876,000	0	901,130
2020-2021 Projected Budget	10,360	15,000	0	893,340	0	918,700
2021-2022 Projected Budget	10,600	15,000	0	911,030	0	936,630
2022-2023 Projected Budget	10,860	15,000	0	929,070	0	954,930

Cost Center Position Detail - Home Base

Full & Part-time Employees

Street Lighting		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		0.0	0.0	n/a	n/a	n/a	0.5	0.5	0.5	0.5
Part-Time Total		0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.5	0.5

The chief role of the office of economic development is to position Royal Oak as a destination for new business opportunities, while providing strategic guidance and resources to existing businesses to facilitate growth and expansion.

This department seeks to remain independent of regulatory processes and is focused on business growth, retention and recruitment. It works in concert with community development to shepherd new business proposals and expansions while coordinating with the city attorney to draft and review all contracts and development agreements related to the same. This office cultivates and maintains proactive relationships with private and non-profit business development partners, academic institutions, and regional economic development entities.

As Royal Oak undergoes a transformation of its downtown, fueled, in part, by a substantial

increase in its office base, this department remains involved in supporting the current proposed developments underway while marketing new business opportunities on both public and privately-held sites with the national business and development communities. Continuing the city's relationships with organizations focused upon business and real estate development is critical to providing access to these networks.

The city's investment in economic development has reinforced to the business, real estate and retail communities Royal Oak's commitment to attracting new business opportunities and fostering programs and initiatives designed to encourage growth for those who already call this city their home.

This office serves as the lead point of contact on special Royal Oak development projects, including the Royal Oak Civic Center project.

GOALS

1. Encourage and support diverse investment to maximize property values and facilitate employment opportunities.
2. Represent Royal Oak as a vibrant business destination locally and nationally.
3. Assist businesses with new proposals or expansions by guiding them through the entitlement process.
4. When necessary, provide recommendations to the city commission and other bodies on matters of economic development policy designed to facilitate new or maintain current investments within Royal Oak.
5. Serve as Royal Oak's primary representative to the economic development departments of the State of Michigan, Oakland County, local municipalities, etc.
6. Maintain a list of resources available at all levels for businesses to grow and expand.

OBJECTIVES

- Pursue the development of additional class A office space in Downtown Royal Oak.^{GOAL1}
- Pursue the development of new retail establishments throughout the city.^{GOAL1}
- Increase focus on commercial development of 11 Mile Road and Fourth Street.^{GOAL1}
- Finalize the design and bid out the project.^{GOAL9}
- Complete the staging plan and rollout to the community.^{GOAL9}
- Identify a team to provide information to the public about the ongoing project, and consider hiring a public relations firm to help with the task.^{GOAL10}
- Prepare and disseminate a FAQ on the website regarding the ROCC including the tasks, the staging plan, the timetable and any other information of value to the community, keeping it updated as changes need to be made.^{GOAL10}

7. Promote Royal Oak by hosting multiple economic development events throughout the year and/or sponsoring such events.
 8. Maintain contact with business community through retention visits.
 9. Infrastructure – To sustain, replace and enhance Royal Oak’s infrastructure to promote efficient delivery of beneficial services.
 10. Communication – To proactively promote meaningful, open dialogue that ensures effective decision making.
 11. Economic / Tax Base – Encourage and support diverse investment to maximize property values and facilitate employment opportunities and desirable housing.
- Prepare an overall communication plan to tie all the tasks being undertaken together and make sure that it is communicated to all employees as well as with the public.^{GOAL10}
 - Enable housing developments that meet gaps identified in the Target Market Analysis.^{GOAL11}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing due to assumed wage step increases. Dues and memberships are increasing \$6,000 for a subscription to Local Intel which will provide data analytics services. Travel costs are increasing \$4,000 relative to the fiscal year 2017-18 projection to allow the economic development coordinator to attend national conferences with business attraction, development and investment opportunities, in addition to any MEDC and/or Oakland County business attraction events that target new investments in our state and county.

Budget Summary

Expenditures

101.728 ECONOMIC DEVELOPMENT	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	106,340	0	0	40,530	0	146,870
2015-2016 Actual	108,500	0	0	56,430	0	164,930
2016-2017 Actual	118,840	0	0	19,360	0	138,200
2017-2018 Original Budget	123,150	0	0	39,850	0	163,000
2017-2018 Adjusted Budget (Dec)	123,150	0	0	39,850	0	163,000
2017-2018 Six Month Actual	55,710	0	0	10,140	0	65,850
2017-2018 Estimated Year End	120,920	0	0	27,730	0	148,650
2018-2019 Dept Request	126,310	0	0	38,950	0	165,260
2018-2019 Manager's Budget	126,310	0	0	38,950	0	165,260
2018-2019 Adopted Budget						
2019-2020 Projected Budget	130,570	0	0	38,950	0	169,520
2020-2021 Projected Budget	134,980	0	0	38,950	0	173,930
2021-2022 Projected Budget	139,540	0	0	38,950	0	178,490
2022-2023 Projected Budget	144,260	0	0	38,950	0	183,210

Cost Center Position Detail - Home Base

Full & Part-time Employees

Economic Development		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Full-Time Positions										
Economic Development Manager		0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Full-time Total		0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0

The role of the community engagement division is to proactively promote meaningful, open and respectful dialogue that ensures effective decision making and also fosters the city's image as a safe and vibrant place to live, work and play.

The guiding principles of community engagement are to be clear and direct, proactive, transparent and to recognize that communication is two-way. When the city engages and receives feedback

from its residents it builds trust and credibility.

The city recognizes the need to have a variety of tools to present clear and helpful information to Royal Oak residents and visitors. As such, the community engagement division manages multiple communication assets to increase citizen awareness, including website content, city-wide email blasts, social media, public relations, direct mail, Insight magazine and more.

GOALS

1. Generate enhanced awareness of our community's priorities and the actions of the city commission.
2. Increase engagement by proactively promoting meaningful, open and respectful dialogue that ensures effective decision making and increases awareness of beneficial services, goals and programs.
3. Reach the broadest audience by protecting, fostering and growing key community relationships and partnerships and increasing engagement with all residents and businesses to generate high levels of interest and participation for city programs and events.
4. Establish transparency by providing transparency via the city's website, social media and public forums to make information regarding city policies user-friendly and available to all.
5. Reinforce credibility by exploring, obtaining and coordinating information via internal and external surveys in an effort to obtain resident/business feedback and promote that feedback on a continuous basis to reinforce credibility.
6. Infrastructure – To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
7. Communication – To proactively promote meaningful, open and respectful dialogue that ensures effective decision making.

OBJECTIVES

- Complete the staging plan and rollout to the community.^{GOAL6}
- Establish deadlines and a timetable for staff as the program unfolds, and make that public as well.^{GOAL6}
- Provide information on the street/sidewalk improvement plans to the public.^{GOAL6}
- Prepare an overall communication plan to tie all the tasks being undertaken together and make sure that it is communicated to all employees as well as with the public.^{GOAL7}
- Identify a team to provide information to the public about the ongoing project, and consider hiring a public relations firm to help with task.^{GOAL7}
- Prepare and disseminate a FAQ on the website regarding the ROCC including the tasks, the staging plan, the timetable and any other information of value to the community, keeping it updated as changes need to be made.^{GOAL7}
- Provide information to the public on the conditions of the existing buildings/facilities so they understand the rationale for the ROCC.^{GOAL7}
- Enhance the city app to provide additional opportunities for both information outflow as well as inflow; communicate across multiple platforms to the extent feasible; utilize neighborhood associations where appropriate to inform residents and solicit input.^{GOAL7}

- Ensure simplicity and clarity of all communications from the city, ensure that the community engagement specialist is in a position to understand and explain policies to the public.^{GOAL7}
- Increase promotion of the city website, get the URL out in the public and on social media.^{GOAL7}
- Create special URL's for special projects to simplify public access.^{GOAL7}
- Explore establishing a citizen's academy program along the lines of the citizens police academy to help individuals understand how the city does its business.^{GOAL7}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases. \$13,850 is budgeted for a community satisfaction survey.

Budget Summary Expenditures

101.747 COMMUNITY ENGAGEMENT	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	0	0
2015-2016 Actual	0	0	0	0	0	0
2016-2017 Actual	82,400	0	0	2,120	0	84,520
2017-2018 Original Budget	93,440	0	0	23,330	0	116,770
2017-2018 Adjusted Budget (Dec)	93,440	0	0	23,330	0	116,770
2017-2018 Six Month Actual	40,370	0	0	16,150	0	56,520
2017-2018 Estimated Year End	87,160	0	0	25,180	0	112,340
2018-2019 Dept Request	96,640	0	0	25,140	0	121,780
2018-2019 Manager's Budget	96,640	0	0	25,140	0	121,780
2018-2019 Adopted Budget						
2019-2020 Projected Budget	99,850	0	0	25,140	0	124,990
2020-2021 Projected Budget	103,180	0	0	25,140	0	128,320
2021-2022 Projected Budget	106,640	0	0	25,140	0	131,780
2022-2023 Projected Budget	110,210	0	0	25,140	0	135,350

Cost Center Position Detail - Home Base

Full & Part-time Employees

Community Engagement				Fiscal Year						
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	
<u>Full-Time Positions</u>										
Community Engagement Specialist	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	
Full-time Total	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	

The mission of the cable communications department is to provide the residents of Royal Oak a clear view of the city's commission, main committees and departments, to enhance transparency and to increase residents' understanding of their government's processes, goals, objectives and accomplishments.

WROK is the City of Royal Oak's government access channel. WROK is available to subscribers of W.O.W. on channel 10 and Comcast on channel 17. AT&T subscribers can access the real time live stream of WROK programming that is available on the city website. By law, cable TV providers must provide public, government and educational access channels on their systems. To support this, each company pays a franchise fee to the city.

Residents can watch live coverage of the city commission, planning commission, ZBA, DDA and Brownfield redevelopment authority meetings as well as youth sports and summer concerts. In addition to the many live programs that WROK produces throughout the year, they also provide taped coverage of the many special events and meetings that dot the Royal Oak calendar.

WROK programming can be seen 7 days a week. Programming runs 10 am – 2pm, 4pm – 8pm and meetings are re-run at midnight. For the night owls, WROK also offers expanded playback on weekends starting at midnight. The programming runs on an automated MP-3 video server. We do not anticipate being able to offer high definition cable casts at any time in the near future.

In between program hours, residents can view a computer-generated bulletin board. It features our program schedule and provides information regarding a wide variety of city news and events. It is updated daily.

WROK supports internet web casting of city meetings and other programming.

The video needs of many city departments are supplied regularly by WROK, with special projects on request. The city clerk's office and the community development department rely on copies of each meeting that WROK produces for their record keeping. WROK also provides video support for Royal Oak's many safe community projects.

WROK and the City of Royal Oak do not regulate the cable companies that serve Royal Oak. That job is handled by the Michigan Public Service Commission in Lansing. You may contact the MPSC at www.Michigan.gov/mpsc.

To pay for WROK activities, the City of Royal Oak receives a franchise fee from the cable companies.

WROK, working under the information technology department, has a contract staff of one full-time cable coordinator and part-time production assistants. WROK also relies heavily on a crew of volunteers to fill assorted positions during productions. The staff of WROK are employees of cable access management, not employees of the City of Royal Oak. CAMCO pays all employee related expenses out of the contractual management fee in the cable TV budget.

GOALS

1. Communication: Provide 30 hours of programming weekly, showing key board and committee meetings and special events at three time slots: 7am – 2 pm; 4pm – 8pm; and midnight to 2am.
2. Community: Use electronic media to inform the community of city services and promote community dialog.

OBJECTIVES

GOALS**OBJECTIVES**

3. Community: Promote recreational and cultural activities for all ages.
4. Infrastructure: To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
5. Public safety: To protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner.

Significant Revenue, Expenditure, Staff & Program Notes -Fiscal Years 2018-2019:

Miscellaneous operating supplies will increase \$6,000 to purchase new network attached storage for video files. Motor pool charges are increasing due to a catch-up plan to collect depreciation that was not collected many years ago during an intentional depreciation (collection) vacation. This catch-up will help to provide the proper accumulation of funds that will be sufficient for the motor pool's future replacement.

The following capital improvement projects for FY2018-19 are as follows (Deviates from CIP):

Repairs to the undercarriage of cable truck (PEG funds)	\$50,000
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<u>FY2018-19 Total:</u>	<u>\$50,000</u>
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Budget Summary Expenditures

101.834 CABLE COMMUNICATIONS	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	50,170	0	80,020	0	130,190
2015-2016 Actual	0	1,550	235,360	93,740	0	330,650
2016-2017 Actual	0	330	0	94,300	0	94,630
2017-2018 Original Budget	0	400	0	111,430	0	111,830
2017-2018 Adjusted Budget (Dec)	0	400	48,500	111,430	0	160,330
2017-2018 Six Month Actual	0	0	0	42,060	0	42,060
2017-2018 Estimated Year End	0	400	44,000	99,430	0	143,830
2018-2019 Dept Request	0	400	50,000	125,330	0	175,730
2018-2019 Manager's Budget	0	400	50,000	125,330	0	175,730
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	400	0	127,920	0	128,320
2020-2021 Projected Budget	0	400	0	130,570	0	130,970
2021-2022 Projected Budget	0	400	0	133,280	0	133,680
2022-2023 Projected Budget	0	400	0	136,060	0	136,460

The mission of the community promotion cost center is to provide support to non-governmental organizations focused on serving our residents whose missions further the goals and objectives of the City of Royal Oak.

As an example, the city commission assisted various not-for-profit groups (which benefit the city) who serve disadvantaged persons in the city.

City contributions are on a year-to-year, case-to-case basis, depending on availability of funds.

There is a very small amount of personnel costs allocated here in addition to some overtime. This cost center also records payment to eligible organizations.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Royal Oak Youth Services continues to be budgeted at \$20,000 as in prior years. Starr house costs are increasing slightly due to interior building improvements. \$25,000 is budgeted for building wayfinding improvements, \$10,000 for city building breakroom improvements, \$15,000 for employee event programming, \$5,000 for employee recognition programs, and \$2,500 for recycling receptacles for city facilities and events. Fire station museum expenses are decreasing relative to the fiscal year 2017-18 original budget due to the roof not being replaced as bids came in much higher than expected. A consultant will look at the roof and it may be included in the budget in the future.

Budget Summary Expenditures

101.835 COMMUNITY PROMOTION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	12,700	620	0	40,890	0	54,210
2015-2016 Actual	14,000	1,650	0	57,720	0	73,370
2016-2017 Actual	20,940	790	0	85,290	0	107,020
2017-2018 Original Budget	16,760	600	0	190,680	0	208,040
2017-2018 Adjusted Budget (Dec)	16,760	600	0	190,680	0	208,040
2017-2018 Six Month Actual	16,410	670	0	23,370	0	40,450
2017-2018 Estimated Year End	19,230	670	0	99,070	0	118,970
2018-2019 Dept Request	16,930	600	0	134,950	0	152,480
2018-2019 Manager's Budget	16,930	600	0	134,950	0	152,480
2018-2019 Adopted Budget						
2019-2020 Projected Budget	17,080	600	0	133,080	0	150,760
2020-2021 Projected Budget	17,230	600	0	133,210	0	151,040
2021-2022 Projected Budget	17,380	600	0	133,350	0	151,330
2022-2023 Projected Budget	17,540	600	0	133,500	0	151,640

The mission for the Woodward Dream Cruise is to provide a safe family event for the thousands of visitors and residents of Royal Oak and to advertise the City of Royal Oak and attract people from around North America to it as a place to live and do business.

The Woodward Dream Cruise (WDC) is a “one-day” classic car event held annually on the third Saturday of August. The WDC event spans down Woodward Avenue from Pontiac through Royal Oak in Oakland County, Michigan, all the way to 8 Mile Road.

The Woodward Dream Cruise is the world’s largest one-day automotive event, drawing up to 1.5 million people and 40,000 classic cars each year from around the globe. The Woodward Dream Cruise also welcomes vehicles of all models whose owners have either scrupulously maintained or customized their car to create a unique vehicle or statement.

The WDC was inaugurated in 1995. It is now the largest single day classic car event in the world, and brings in over \$56 million annually for the Metro Detroit economy.

Each year, the celebration starts early in the week with these classic vehicles brought out onto the streets in preparation, and ancillary events are scheduled in the sponsoring communities of Ferndale, Pleasant Ridge, Royal Oak, Huntington Woods, Berkley, Bloomfield Township, Bloomfield Hills, and Pontiac.

An interdisciplinary committee of the eight communities meets, at least monthly, to coordinate the event. This involves representatives of police, fire, public service, communications and recreation departments at a minimum.

Traffic and crowd control require regular and overtime services for up to seven days of Dream Cruise week. Woodward Avenue, a state highway, is closed all day Saturday for 18 miles.

This budget records the city’s additional expenses for overtime, auxiliary staff, volunteers, events and other cruise specific costs. Advertising revenue from sponsoring organizations offsets part of that cost.

GOALS

1. To provide a safe event.
2. To maintain facilities after the event.
3. Utilize resources to raise funds to support the event.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Overtime is increasing \$6,000 relative to the fiscal year 2017-18 projection to provide a small contingency for this fund as it is unknown how much overtime will be needed for the event each year.

Budget Summary

Expenditures

101.836 DREAM CRUISE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	34,920	24,970	0	4,180	0	64,070
2015-2016 Actual	39,400	35,110	0	6,100	0	80,610
2016-2017 Actual	29,120	27,430	0	12,650	0	69,200
2017-2018 Original Budget	38,150	26,000	0	13,500	0	77,650
2017-2018 Adjusted Budget (Dec)	38,150	26,000	0	13,500	0	77,650
2017-2018 Six Month Actual	24,140	24,690	0	7,430	0	56,260
2017-2018 Estimated Year End	26,430	26,000	0	14,050	0	66,480
2018-2019 Dept Request	33,100	26,000	0	14,500	0	73,600
2018-2019 Manager's Budget	33,100	26,000	0	14,500	0	73,600
2018-2019 Adopted Budget						
2019-2020 Projected Budget	33,100	26,000	0	14,550	0	73,650
2020-2021 Projected Budget	33,100	26,000	0	14,600	0	73,700
2021-2022 Projected Budget	33,100	26,000	0	14,650	0	73,750
2022-2023 Projected Budget	33,100	26,000	0	14,700	0	73,800

Cost Center Position Detail - Home Base

Full & Part-time Employees

Dream Cruise		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		0.1	0.1	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Part-time Total		0.1	0.1	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The purpose of the Arts Beats & Eats cost center is to account for the costs related to the permit parking zone the weekend of the event. The balance of the Arts Beats & Eats fiscal activity is recorded in its own enterprise fund.

over the Labor Day weekend. The event was formerly held in downtown Pontiac.

Over one-quarter of a million visitors are expected to enjoy the 150 musical acts, 150 fine artists, and nearly 50 restaurants at this year's event.

Arts, Beats & Eats is held in downtown Royal Oak

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing relative to the fiscal year 2017-18 projection based on historical activity.

Budget Summary Expenditures

101.837 AB&E	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	43,810	1,150	0	13,310	0	58,270
2015-2016 Actual	42,680	620	0	10,660	0	53,960
2016-2017 Actual	47,880	1,100	0	11,790	0	60,770
2017-2018 Original Budget	41,210	1,000	0	16,340	0	58,550
2017-2018 Adjusted Budget (Dec)	41,210	1,000	0	16,340	0	58,550
2017-2018 Six Month Actual	28,090	(170)	0	9,530	0	37,450
2017-2018 Estimated Year End	28,680	1,000	0	12,200	0	41,880
2018-2019 Dept Request	37,030	1,000	0	12,230	0	50,260
2018-2019 Manager's Budget	37,030	1,000	0	12,230	0	50,260
2018-2019 Adopted Budget						
2019-2020 Projected Budget	37,520	1,000	0	12,340	0	50,860
2020-2021 Projected Budget	38,020	1,000	0	12,450	0	51,470
2021-2022 Projected Budget	38,550	1,000	0	12,560	0	52,110
2022-2023 Projected Budget	39,090	1,000	0	12,670	0	52,760

The purpose of the transfers out cost center is to provide a means of tracking the transfer of monies from the general fund to other city funds.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

\$19 million is budgeted to be transferred to the public safety fund. \$350,000 is budgeted to be transferred to the senior citizen services fund in accordance with the public safety millage plan. \$459,000 is budgeted to be transferred to the court debt fund. \$15,000 is budgeted to be transferred to ROOTS for the commission for the arts. \$2,227,000 is budgeted for the estimated ROCC project debt service payment. \$3,998,170 is budgeted to be transferred to a capital project fund as this is the balance of the cash contribution for the ROCC project.

Budget Summary Expenditures

101.965 TRANSFERS TO OTHER FUNDS	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	18,676,250	0	18,676,250
2015-2016 Actual	0	0	0	19,982,890	0	19,982,890
2016-2017 Actual	0	0	0	23,056,460	0	23,056,460
2017-2018 Original Budget	0	0	0	20,328,500	0	20,328,500
2017-2018 Adjusted Budget (Dec)	0	0	0	20,328,500	0	20,328,500
2017-2018 Six Month Actual	0	0	0	9,950,900	0	9,950,900
2017-2018 Estimated Year End	0	0	0	20,949,750	0	20,949,750
2018-2019 Dept Request	0	0	0	26,049,170	0	26,049,170
2018-2019 Manager's Budget	0	0	0	26,049,170	0	26,049,170
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	0	22,057,000	0	22,057,000
2020-2021 Projected Budget	0	0	0	22,557,000	0	22,557,000
2021-2022 Projected Budget	0	0	0	22,957,000	0	22,957,000
2022-2023 Projected Budget	0	0	0	23,452,000	0	23,452,000



SPECIAL REVENUE FUNDS

Special revenue funds are funds that are used to record transactions in which a funding source is legally restricted for specific expenditures.

Major Streets Fund – 202	State Construction Code Fund – 282
Local Streets Fund – 203	ROOTS Fund – 295
Public Safety Fund – 207	Senior Citizen Services Fund – 296
Publicity Tax Fund – 211	Animal Shelter Fund – 297
Solid Waste Fund – 226	Police Grants – 298
Library Millage Fund – 271	Miscellaneous Grants – 299
Community Development Block Grant Fund – 274	

SPECIAL REVENUE FUNDS– Component Units

Brownfield Redevelopment Authority – 243	DDA Development Fund – 247
	DDA Operation Fund – 248

The highway division of the department of public service (DPS) is responsible for routine maintenance of the city's 64.9 miles of the major street system. Routine maintenance includes

joint/crack repairs, concrete slab replacement, curb replacement, asphalt overlays/repairs, street sweeping, catch basin repair, and storm sewer/catch basin cleaning.

GOALS

1. To provide a safe and adequate major road system, preserving the quality of life in the city; which enhances the attraction and retention of residents and businesses.
 2. To provide proactive planning and programming of maintenance activities to maximize the use of available resources dedicated for road maintenance activities.
 3. Maintain a long term major road improvement program that maximizes funds to extend and enhance the life of the city's major road system.
-

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Asphalt supplies cost is increasing \$2,000 relative to the fiscal year 2017-18 original budget due to increasing asphalt prices and an increase in work load. Construction engineering services are requested to increase to \$100,000 for asphalt skin patch work. Consulting engineering services are increasing \$20,000 for potential traffic signal design services.

Budget Summary

Expenditures

202.467 STREETS MAINTENANCE	Personnel Services	Supplies	Capital	Other	Transfer	Debt	Total
2014-2015 Actual	242,280	65,550	0	1,718,350	0	0	2,026,180
2015-2016 Actual	239,580	79,130	0	2,145,320	25,000	0	2,489,030
2016-2017 Actual	270,950	71,350	0	2,253,260	0	0	2,595,560
2017-2018 Original Budget	220,550	71,800	0	285,410	0	0	577,760
2017-2018 Adjusted Budget (Dec)	246,280	71,800	0	285,410	0	0	603,490
2017-2018 Six Month Actual	67,990	25,710	0	4,160	0	0	97,860
2017-2018 Estimated Year End	220,720	73,800	0	313,210	0	0	607,730
2018-2019 Dept Request	226,850	73,800	0	188,580	0	0	489,230
2018-2019 Manager's Budget	226,850	73,800	0	188,580	0	0	489,230
2018-2019 Adopted Budget							
2019-2020 Projected Budget	233,930	73,800	0	189,570	0	0	497,300
2020-2021 Projected Budget	241,270	73,800	0	190,580	0	0	505,650
2021-2022 Projected Budget	248,860	73,800	0	191,610	0	0	514,270
2022-2023 Projected Budget	256,710	73,800	0	192,660	0	0	523,170

The parks & forestry division of the department of public service (DPS) maintains parkways in the city's major street system.

Parkways or boulevards are the grassy areas between opposing lanes of roads. DPS crews weed, mow the grass, and trim trees and bushes.

GOALS

1. To facilitate the growth of hardy trees and vegetation that will enhance the major road system while providing schemes and maintenance programs that enhance traffic safety, especially lines of sight.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing slightly relative to the fiscal year 2017-18 original budget due to an increased work load for median and right of way maintenance. Contracted services are increasing \$3,000 relative to the fiscal year 2017-18 original budget to include rain garden maintenance.

Budget Summary Expenditures

202.469 STREETS PARKWAY MAINTENANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	195,340	0	0	25,680	0	221,020
2015-2016 Actual	226,700	0	0	33,240	0	259,940
2016-2017 Actual	208,890	0	0	41,730	0	250,620
2017-2018 Original Budget	138,320	0	0	57,500	0	195,820
2017-2018 Adjusted Budget (Dec)	138,320	0	0	57,500	0	195,820
2017-2018 Six Month Actual	78,100	0	0	24,950	0	103,050
2017-2018 Estimated Year End	147,450	0	0	60,450	0	207,900
2018-2019 Dept Request	152,550	0	0	56,480	0	209,030
2018-2019 Manager's Budget	152,550	0	0	56,480	0	209,030
2018-2019 Adopted Budget						
2019-2020 Projected Budget	157,090	0	0	57,570	0	214,660
2020-2021 Projected Budget	161,790	0	0	58,690	0	220,480
2021-2022 Projected Budget	166,660	0	0	59,850	0	226,510
2022-2023 Projected Budget	171,690	0	0	61,040	0	232,730

The highway division of the department of public service (DPS) is responsible for winter

maintenance, such as snow and ice control, of the city's 64.4 mile major street system.

GOALS

1. To provide safe and passable major road system by performing prompt and efficient snow removal and ice control.
2. To clear major roads within 24 hours of a major snow event.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs and motor pool charges are decreasing relative to the fiscal year 2017-18 projection due to significant amount of winter maintenance in fiscal year 2017-18 and not anticipated in fiscal year 2018-19.

Budget Summary Expenditures

202.472 STREETS WINTER MAINTENANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	80,980	196,840	0	131,370	0	409,190
2015-2016 Actual	69,060	201,480	0	81,210	0	351,750
2016-2017 Actual	68,420	173,680	0	64,580	0	306,680
2017-2018 Original Budget	64,790	301,000	0	88,090	0	453,880
2017-2018 Adjusted Budget (Dec)	64,790	301,000	0	88,090	0	453,880
2017-2018 Six Month Actual	22,940	270	0	60,980	0	84,190
2017-2018 Estimated Year End	107,520	361,000	0	190,000	0	658,520
2018-2019 Dept Request	67,160	301,000	0	72,240	0	440,400
2018-2019 Manager's Budget	67,160	301,000	0	72,240	0	440,400
2018-2019 Adopted Budget						
2019-2020 Projected Budget	68,300	301,000	0	73,680	0	442,980
2020-2021 Projected Budget	69,490	301,000	0	75,150	0	445,640
2021-2022 Projected Budget	70,710	301,000	0	76,650	0	448,360
2022-2023 Projected Budget	71,990	301,000	0	78,180	0	451,170

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's major street system. This cost center focuses on traffic signage, pavement markings and traffic risk management. See also street signal services.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly to discuss traffic control issues. A

volunteer resident's committee reviews the staff recommendations and makes recommendations to the city commission.

Traffic control signage means street, stop, parking, turn/no-turn, speed, school zone, pedestrian walk signs, etc. The DPS's sign shop provides replacement signs promptly and reduces the cost of carrying an extensive sign inventory.

Additional services performed include pavement markings, intersection and pedestrian markings, guard rails, and bridge inspections.

GOALS

1. To promote effective traffic control in order to provide safety on the city's major roads.

OBJECTIVES

- Move pavement marking over to a spring schedule.^{GOAL1}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing due to an increased work load for sign work. Sign materials are increasing \$2,000 due to a Campbell Road project that will require replacing the traffic signs. Pavement paint materials will increase \$10,000 to purchase a replacement paint machine. Contracted services are increasing \$60,000 in attempt to move pavement marking painting to a spring schedule which will result in painting being done twice in fiscal year 2018-19. However, future years will only have painting occur in the spring.

Budget Summary

Expenditures

202.473 STREETS TRAFFIC CONTROL	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	111,280	46,110	0	79,700	0	237,090
2015-2016 Actual	102,720	40,920	0	86,010	0	229,650
2016-2017 Actual	118,480	75,140	0	78,550	0	272,170
2017-2018 Original Budget	74,310	48,000	0	81,180	0	203,490
2017-2018 Adjusted Budget (Dec)	74,310	48,000	0	81,180	0	203,490
2017-2018 Six Month Actual	32,030	22,610	0	67,710	0	122,350
2017-2018 Estimated Year End	68,770	48,670	0	82,180	0	199,620
2018-2019 Dept Request	81,940	60,000	0	142,130	0	284,070
2018-2019 Manager's Budget	81,940	60,000	0	142,130	0	284,070
2018-2019 Adopted Budget						
2019-2020 Projected Budget	84,410	60,000	0	142,570	0	286,980
2020-2021 Projected Budget	86,950	60,000	0	143,020	0	289,970
2021-2022 Projected Budget	89,580	60,000	0	143,470	0	293,050
2022-2023 Projected Budget	92,300	60,000	0	143,930	0	296,230

Cost Center Position Detail - Home Base

Full & Part-time Employees

Streets Traffic Control		Fiscal Year								
<u>Part-Time Positions (FTEs)</u>	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	
Part-Time Positions	n/a	n/a	n/a	0.5	n/a	n/a	n/a	n/a	n/a	
Part-Time Total	0.0	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.0	

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's major street system. This cost center focuses on signal services.

The major street system owns 78 signals, each with its own controller and wiring plus possible pedestrian crossing signals. A DPS electrician handles signal maintenance.

This cost center pays the city's share of maintenance cost for signals on state and county roads.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly. A volunteer citizen's committee reviews the staff recommendations and makes recommendations to the city commission.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Overtime is increasing \$3,000 relative to the fiscal year 2017-18 original budget due to an increase in work load for traffic signal repairs. Traffic signal repairs are increasing \$10,000 relative to the fiscal year 2017-18 projection as costs vary greatly depending on how often signals are damaged in accidents.

**Budget Summary
Expenditures**

202.474 STREETS SIGNAL SERVICES	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	23,960	10,050	0	74,170	0	108,180
2015-2016 Actual	21,580	9,300	0	131,440	0	162,320
2016-2017 Actual	37,250	12,140	0	72,920	0	122,310
2017-2018 Original Budget	37,820	12,000	0	96,000	0	145,820
2017-2018 Adjusted Budget (Dec)	37,820	12,000	0	96,000	0	145,820
2017-2018 Six Month Actual	14,680	8,780	0	34,760	0	58,220
2017-2018 Estimated Year End	36,460	12,000	0	85,000	0	133,460
2018-2019 Dept Request	34,650	12,000	0	98,120	0	144,770
2018-2019 Manager's Budget	34,650	12,000	0	98,120	0	144,770
2018-2019 Adopted Budget						
2019-2020 Projected Budget	35,300	12,000	0	98,370	0	145,670
2020-2021 Projected Budget	35,970	12,000	0	98,620	0	146,590
2021-2022 Projected Budget	36,660	12,000	0	98,880	0	147,540
2022-2023 Projected Budget	37,370	12,000	0	99,140	0	148,510

Cost Center Position Detail - Home Base

Full & Part-time Employees

Signal Services	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	n/a	3.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Part-Time Total	0.0	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0

The mission of the major street fund is to maintain the major streets system and rights-of-way in a manner to ensure safe vehicle and pedestrian traffic as well as to present an attractive roadside environment in accordance with Michigan Act 51 of Public Acts of 1951 as amended.

The City of Royal Oak owns over 64 miles of major streets. These are the main arteries that move residents to and from local or neighborhood streets to larger, faster roads that are maintained by Oakland County or the State of Michigan. (See street map)

The city engineer, as the street administrator, is responsible for evaluating, planning, designing and constructing the road system and its traffic safety. This includes original construction, major replacement or resurfacing, traffic signs and signals.

The engineer coordinates regularly with the Oakland County Road Commission, surrounding communities and the State Department of Transportation regarding the roads in the city for which the city is responsible. It also means

meeting with subdivision and homeowner groups or associations, and other concerned citizens as situations warrant.

The department of public service maintains the system of roadways. Their responsibilities include patching roads, maintaining parkways, rights-of way, signs and signals, and controlling snow and ice.

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The major street fund / administration cost center accounts for the cost of the overall planning, administration and oversight of all activities that affect traffic conditions on the city's major street network.

Audit and debt expenditures are included. This cost center also accounts for any city commission authorized transfer-out to support the local street fund, as allowed by Act 51. At this time, a transfer-out to the local street fund is not budgeted as 100% of the road millage is receipted into the local street fund.

GOALS

1. Coordinate all aspects of major street construction, maintenance and permitting practices.
2. Construct and rehabilitate failing segments of the city's major street system by implementing safety improvements as presented in the annual capital improvement plan (CIP) while balancing the sometimes-conflicting interests of safety, mobility and environmental impacts.
3. Maintain an active role in regional public transportation initiatives.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Using the State of Michigan's distribution formula projections based on the new road funding law, revenues from the gasoline/vehicle registration (Act 51) tax are budgeted at \$4.529 million an increase of approximately \$300,000. Fiscal year 2018-19 budgets for \$1,080,230 use of fund balance. The forecast for this fund is stable however it is estimated that a transfer to the local street fund may be necessary in future years. All of the millage revenue is used by the local street fund.

Budget Summary

Major Street Fund Summary	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	2,142,678	3,749,748	2,669,518	2,952,648	2,011,348	994,938
Revenues and transfers from other funds	4,878,840	4,782,850	4,782,850	4,782,850	4,782,850	4,782,850
Expenditures and transfers to other funds	3,271,770	5,863,080	4,499,720	5,724,150	5,799,260	3,823,570
Net Change in Fund Balance	1,607,070	(1,080,230)	283,130	(941,300)	(1,016,410)	959,280
Ending Fund Balance	3,749,748	2,669,518	2,952,648	2,011,348	994,938	1,954,218

Revenues

202-000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	3,306,640	152,800	36,440	29,700	0	3,525,580
2015-2016 Actual	0	3,585,730	207,150	30,180	35,730	0	3,858,790
2016-2017 Actual	0	3,588,460	202,260	97,100	30,130	693,360	4,611,310
2017-2018 Original Budget	0	4,010,000	207,000	18,500	16,000	70,000	4,321,500
2017-2018 Adjusted Budget (Dec)	0	4,010,000	207,000	18,500	16,000	70,000	4,321,500
2017-2018 Six Month Actual	0	1,452,100	0	8,990	8,220	0	1,469,310
2017-2018 Estimated Year End	0	4,624,990	202,000	35,850	16,000	0	4,878,840
2018-2019 Dept Request	0	4,529,000	202,000	35,850	16,000	0	4,782,850
2018-2019 Manager's Budget	0	4,529,000	202,000	35,850	16,000	0	4,782,850
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	4,529,000	202,000	35,850	16,000	0	4,782,850
2020-2021 Projected Budget	0	4,529,000	202,000	35,850	16,000	0	4,782,850
2021-2022 Projected Budget	0	4,529,000	202,000	35,850	16,000	0	4,782,850
2022-2023 Projected Budget	0	4,529,000	202,000	35,850	16,000	0	4,782,850

Expenditures

202.515 STREETS ADMINISTRATION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	150,490	0	150,490
2015-2016 Actual	0	0	0	149,270	0	149,270
2016-2017 Actual	280	0	0	123,570	0	123,850
2017-2018 Original Budget	0	0	0	95,320	93,840	189,160
2017-2018 Adjusted Budget (Dec)	0	0	0	95,320	93,840	189,160
2017-2018 Six Month Actual	0	0	0	57,170	136,970	194,140
2017-2018 Estimated Year End	0	0	0	95,720	209,440	305,160
2018-2019 Dept Request	0	0	0	127,580	185,000	312,580
2018-2019 Manager's Budget	0	0	0	127,580	185,000	312,580
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	0	128,250	185,000	313,250
2020-2021 Projected Budget	0	0	0	128,940	184,000	312,940
2021-2022 Projected Budget	0	0	0	129,650	184,000	313,650
2022-2023 Projected Budget	0	0	0	130,380	183,500	313,880

The mission of the major street construction cost center is to track and fund major street projects.

GOALS

OBJECTIVES

1. Maintain a long term major road improvement program that maximizes funds to extend and enhance the life of the city's major road system.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The following capital projects for this fund for fiscal year 18-19 are as follows:

• CAP1101 Surveying Services	\$5,000
• CAP1401 Traffic Signal Upgrade Project	200,000
• CAP1806 Campbell Road Resurfacing	1,058,000
• CAP1808 North Main Street Resurfacing	57,000
• CAP1822 North-South Bicycle Route	750,000
• CAP1908 14 Mile Road Resurfacing	348,000
• CAP1999 I-75 Widening	20,000
• CAP1925 Joint Sealing	130,000
• CAP2007 Gardenia Avenue Reconstruction and Resurfacing*	1,215,000
• CMAQ grant projects administration	200,000

*Timing deviates from CIP

FY2018-19 Total:

\$3,983,000

Budget Summary

Expenditures

202.901 CONSTRUCTION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	0	0
2015-2016 Actual	155,680	5,030	0	224,180	0	384,890
2016-2017 Actual	60,200	180	21,510	2,107,680	0	2,189,570
2017-2018 Original Budget	205,600	0	951,390	0	0	1,156,990
2017-2018 Adjusted Budget (Dec)	205,600	0	951,390	0	0	1,156,990
2017-2018 Six Month Actual	59,680	90	0	24,630	0	84,400
2017-2018 Estimated Year End	2,390	0	1,156,990	0	0	1,159,380
2018-2019 Dept Request	245,440	0	3,737,560	0	0	3,983,000
2018-2019 Manager's Budget	245,440	0	3,737,560	0	0	3,983,000
2018-2019 Adopted Budget						
2019-2020 Projected Budget	245,440	0	2,353,440	0	0	2,598,880
2020-2021 Projected Budget	245,440	0	3,557,440	0	0	3,802,880
2021-2022 Projected Budget	245,440	0	3,610,440	0	0	3,855,880
2022-2023 Projected Budget	245,440	0	1,612,440	0	0	1,857,880

The highway division of the department of public service (DPS) is responsible for daily routine maintenance of the city's 148-mile local street system.

Routine maintenance includes joint and crack sealing, concrete slab replacement, some limited asphalt overlays/repairs that are implemented

through CIP's managed by the engineering department, street sweeping and storm sewer/catch basin cleaning. Dust control is applied when paid by residents and is performed by the highway division.

GOALS

1. To provide a safe and adequate local/neighborhood system, preserving the quality of life in the city; which enhances the attraction and retention of residents and businesses.
2. To provide proactive planning and programming of maintenance activities to maximize the use of available resources dedicated for local/neighborhood maintenance activities.
3. To maintain a long term local street improvement program that maximizes funding to extend and enhance the life of the city's local street system.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Consulting engineering services are increasing \$10,000 for a potential traffic study on a local street. Contracted services include \$20,000 for tree removal services. Motor pool charges are increasing based on estimated usage and rates.

Budget Summary

Expenditures

203.467 STREETS MAINTENANCE	Personnel Services	Supplies	Capital	Other	Transfer	Debt	Total
2014-2015 Actual	644,570	42,700	0	2,201,180	0	0	2,888,450
2015-2016 Actual	691,870	42,620	0	6,590,100	25,000	0	7,349,590
2016-2017 Actual	706,520	39,060	0	3,927,600	13,000	0	4,686,180
2017-2018 Original Budget	488,660	52,500	0	676,560	0	0	1,217,720
2017-2018 Adjusted Budget (Dec)	525,420	52,500	0	676,560	0	0	1,254,480
2017-2018 Six Month Actual	256,020	19,600	0	162,740	0	0	438,360
2017-2018 Estimated Year End	506,540	50,500	0	1,220,000	0	0	1,777,040
2018-2019 Dept Request	509,470	51,000	0	405,630	0	0	966,100
2018-2019 Manager's Budget	509,470	51,000	0	405,630	0	0	966,100
2018-2019 Adopted Budget							
2019-2020 Projected Budget	523,320	51,000	0	386,930	0	0	961,250
2020-2021 Projected Budget	537,660	51,000	0	394,070	0	0	982,730
2021-2022 Projected Budget	552,520	51,000	0	401,350	0	0	1,004,870
2022-2023 Projected Budget	567,910	51,000	0	408,780	0	0	1,027,690

This division of the department of public service (DPS) maintains parkways in the city's local street system. Parkway or boulevards are the grassy areas between opposing lanes of roads.

DPS crews weed, mow the grass, and trim trees and bushes.

GOALS

1. To facilitate the growth of hardy trees and vegetation that will enhance the neighborhood while providing schemes and maintenance programs that enhance traffic safety, especially lines of sight.

OBJECTIVES

Performance Indicators / Outcome Measures

	<u>Actual</u> <u>FY15-16</u>	<u>Actual</u> <u>FY16-17</u>	<u>Dec 31</u> <u>2017</u>	<u>Projected</u> <u>FY17-18</u>	<u>Projected</u> <u>FY17-18</u>	<u>Projected</u> <u>FY18-19</u>
GOAL ¹ Boulevards mowed (hours)	1,484	1,258	1,267	1,500	1,500	1,500
GOAL ¹ Street tree work requests	1,396	981	408	1,400	1,400	1,400

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Overtime is increasing \$10,000 relative to the fiscal year 2017-18 original budget due to an increased workload for median and right of way maintenance. The 2018-19 budget includes \$20,000 for the right-of-way tree replacement program piloted last year and \$20,000 for rain garden maintenance. Motor pool charges are increasing based on estimated usage and rates.

Budget Summary

Expenditures

203.469 STREETS PARKWAY MAINTENANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	368,310	0	0	197,250	0	565,560
2015-2016 Actual	375,820	0	0	163,410	0	539,230
2016-2017 Actual	387,780	0	0	207,390	0	595,170
2017-2018 Original Budget	282,870	0	0	187,770	0	470,640
2017-2018 Adjusted Budget (Dec)	282,870	0	0	187,770	0	470,640
2017-2018 Six Month Actual	89,500	0	0	66,390	0	155,890
2017-2018 Estimated Year End	277,160	0	0	187,770	0	464,930
2018-2019 Dept Request	259,890	0	0	246,370	0	506,260
2018-2019 Manager's Budget	259,890	0	0	246,370	0	506,260
2018-2019 Adopted Budget						
2019-2020 Projected Budget	267,070	0	0	250,500	0	517,570
2020-2021 Projected Budget	274,480	0	0	254,710	0	529,190
2021-2022 Projected Budget	282,160	0	0	259,000	0	541,160
2022-2023 Projected Budget	290,120	0	0	263,380	0	553,500

The highway division of the department of public service (DPS) is responsible for winter

maintenance, such as snow and ice control, of the city's 148 mile local street system.

GOALS

1. To provide safe and passable local road system by performing prompt and efficient snow removal and ice control.
2. To continue to introduce de-icing as a cost saving measure.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Overtime, salt, and motor pool costs are decreasing due to significant amount of winter maintenance in fiscal year 2017-18.

Budget Summary Expenditures

203.472 STREETS WINTER MAINTENANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	107,680	21,840	0	120,910	0	250,430
2015-2016 Actual	63,090	23,050	0	31,080	0	117,220
2016-2017 Actual	105,790	20,440	0	88,840	0	215,070
2017-2018 Original Budget	91,480	72,000	0	59,820	0	223,300
2017-2018 Adjusted Budget (Dec)	91,480	72,000	0	59,820	0	223,300
2017-2018 Six Month Actual	28,930	0	0	70,170	0	99,100
2017-2018 Estimated Year End	100,260	45,000	0	160,000	0	305,260
2018-2019 Dept Request	97,430	72,000	0	97,220	0	266,650
2018-2019 Manager's Budget	97,430	72,000	0	97,220	0	266,650
2018-2019 Adopted Budget						
2019-2020 Projected Budget	99,360	72,000	0	99,160	0	270,520
2020-2021 Projected Budget	101,370	72,000	0	101,140	0	274,510
2021-2022 Projected Budget	103,440	72,000	0	103,160	0	278,600
2022-2023 Projected Budget	105,590	72,000	0	105,220	0	282,810

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's local street system. This cost center focuses on traffic signage, pavement markings and traffic risk management.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly.

A volunteer citizen's committee reviews the staff recommendations and makes recommendations to the city commission.

Traffic control signage means street, stop, parking, turn/no-turn, speed, school zone, pedestrian walk signs, etc. DPS's own sign shop provides replacement signs promptly and reduces the cost of carrying an extensive sign inventory. Additional services performed include pavement markings, intersection and pedestrian markings.

GOALS

1. To promote effective traffic control in order to provide safety on the city's local streets.
2. To maintain all street pavement markings.
3. To replace all down signs within 24 hours of notification.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Sign materials will increase \$2,000 due to increases in unit pricing. Motor pool charges are increasing due to a catch-up plan to collect depreciation that was not collected many years ago during an intentional depreciation (collection) vacation. This catch-up will help to provide the proper accumulation of funds that will be sufficient for the motor pool's future replacement.

Budget Summary

Expenditures

203.473 STREETS TRAFFIC CONTROL	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	220,040	8,020	0	38,560	0	266,620
2015-2016 Actual	228,160	11,160	0	75,960	0	315,280
2016-2017 Actual	241,030	11,070	0	45,380	0	297,480
2017-2018 Original Budget	136,540	11,000	0	35,920	0	183,460
2017-2018 Adjusted Budget (Dec)	136,540	11,000	0	35,920	0	183,460
2017-2018 Six Month Actual	47,150	4,010	0	13,840	0	65,000
2017-2018 Estimated Year End	137,180	11,000	0	35,920	0	184,100
2018-2019 Dept Request	143,080	13,000	0	43,160	0	199,240
2018-2019 Manager's Budget	143,080	13,000	0	43,160	0	199,240
2018-2019 Adopted Budget						
2019-2020 Projected Budget	147,450	13,000	0	44,020	0	204,470
2020-2021 Projected Budget	151,980	13,000	0	44,900	0	209,880
2021-2022 Projected Budget	156,670	13,000	0	45,800	0	215,470
2022-2023 Projected Budget	161,530	13,000	0	46,720	0	221,250

The mission of the local street fund is to maintain the local streets system and rights-of-way in a manner to ensure safe vehicle and pedestrian traffic as well as to present an attractive roadside environment in accordance with Michigan Act 51 of Public Acts of 1951 as amended.

The City of Royal Oak owns over 148 miles of local streets. These are the neighborhood roads that move residents to and from their residences to major streets or other larger, faster roads that are maintained by Oakland County or the State of Michigan.

The city engineer, as the street administrator, is responsible for evaluating, planning, designing and constructing the road system and its traffic safety. This includes original construction, major replacement or resurfacing, and traffic signs.

The engineer meets with neighborhood groups wishing to upgrade their streets to inform them and guide them in obtaining special assessment funding.

The department of public service maintains the system of roadways. Their responsibilities include patching roads, maintaining parkways, rights-of way, signs, and controlling snow and ice on the roads.

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The local street fund / administration cost center accounts for the cost of the overall planning, administration and oversight of all activities that affect traffic conditions on the city's local street network. Audit expenditures are included.

GOALS

1. To effectively plan and coordinate the construction, maintenance and permitting for the city's local street system in a manner that maximizes the use of resources.
 2. Maintain an active role in regional public transportation initiatives.
-

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Using the State of Michigan's distribution formula projections based on the new road funding law, revenues from the gasoline/vehicle registration (Act 51) tax are budgeted to increase by nearly \$100,000. The full levy of 2.4134 mills is budgeted to generate approximately \$6.055 million. Nearly \$2.8 million of fund balance is budgeted to be used as a funding source in fiscal year 2018-19. The forecast for this fund shows a deficit position in fiscal year 2019-20, therefore a transfer from the major street fund may be necessary.

Budget Summary

Local Street Fund Summary	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	1,358,499	3,861,949	1,040,509	(1,431,901)	(914,611)	(485,641)
Revenues and transfers from other funds	16,018,710	7,579,000	7,883,380	8,038,540	8,197,580	8,360,590
Expenditures and transfers to other funds	13,515,260	10,400,440	10,355,790	7,521,250	7,768,610	7,619,170
Net Change in Fund Balance	2,503,450	(2,821,440)	(2,472,410)	517,290	428,970	741,420
Ending Fund Balance	3,861,949	1,040,509	(1,431,901)	(914,611)	(485,641)	255,779

Revenues

203.000 REVENUE	Taxes	Grants	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	5,360,570	962,420	15,410	5,050	50,740	6,394,190
2015-2016 Actual	5,541,620	1,014,760	2,400	159,810	44,220	6,762,810
2016-2017 Actual	5,714,550	1,167,130	14,540	4,580	934,820	7,835,620
2017-2018 Original Budget	5,815,000	1,305,000	1,000	0	240,000	7,361,000
2017-2018 Adjusted Budget (Dec)	5,815,000	1,305,000	1,000	8,500,000	240,000	15,861,000
2017-2018 Six Month Actual	67,940	471,900	21,910	8,522,810	0	9,084,560
2017-2018 Estimated Year End	5,847,000	1,369,000	40,000	8,522,710	240,000	16,018,710
2018-2019 Dept Request	6,055,000	1,474,000	40,000	10,000	0	7,579,000
2018-2019 Manager's Budget	6,055,000	1,474,000	40,000	10,000	0	7,579,000
2018-2019 Adopted Budget						
2019-2020 Projected Budget	6,206,380	1,474,000	40,000	70,000	93,000	7,883,380
2020-2021 Projected Budget	6,361,540	1,474,000	40,000	70,000	93,000	8,038,540
2021-2022 Projected Budget	6,520,580	1,474,000	40,000	70,000	93,000	8,197,580
2022-2023 Projected Budget	6,683,590	1,474,000	40,000	70,000	93,000	8,360,590

Expenditures

203.515 STREETS ADMINISTRATION	Personnel Services	Capital	Other	Transfers	Debt	Total
2014-2015 Actual	0	0	36,130	730	0	36,860
2015-2016 Actual	0	0	49,070	710	0	49,780
2016-2017 Actual	0	0	51,300	80	0	51,380
2017-2018 Original Budget	0	0	70,210	720	1,593,910	1,664,840
2017-2018 Adjusted Budget (Dec)	0	0	70,210	3,500,720	1,593,910	5,164,840
2017-2018 Six Month Actual	0	0	36,190	220	226,430	262,840
2017-2018 Estimated Year End	0	0	69,160	3,500,500	1,602,810	5,172,470
2018-2019 Dept Request	0	0	154,090	500	1,609,600	1,764,190
2018-2019 Manager's Budget	0	0	154,090	500	1,609,600	1,764,190
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	154,760	500	1,635,300	1,790,560
2020-2021 Projected Budget	0	0	155,450	500	1,610,300	1,766,250
2021-2022 Projected Budget	0	0	156,160	500	1,635,300	1,791,960
2022-2023 Projected Budget	0	0	156,890	500	1,607,800	1,765,190

The mission of the local street construction cost center is to track and fund local street projects.

GOALS

OBJECTIVES

1. To maintain a long term local street improvement program that maximizes funding to extend and enhance the life of the city's local street system.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The following capital projects for this fund for fiscal year 18-19 are as follows (Deviates from CIP):

• CAP1905 Millage Concrete Street Repairs	1,290,000
• CAP1910 Road Work on Water Projects	535,000
• CAP1915 Millage Asphalt Resurfacing	2,445,000
• CAP1925 Joint Sealing	190,000
• CAP1935 Millage Road Reconstruction	1,670,000
• CAP1955 Special Assessment Paving	568,000

FY2018-19 Total: **\$6,698,000**

Budget Summary

Expenditures

203.901 CONSTRUCTION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	0	0
2015-2016 Actual	72,310	530	0	556,370	0	629,210
2016-2017 Actual	268,170	3,330	0	4,444,700	0	4,716,200
2017-2018 Original Budget	128,600	0	5,610,400	0	0	5,739,000
2017-2018 Adjusted Budget (Dec)	128,600	0	5,610,400	0	0	5,739,000
2017-2018 Six Month Actual	98,010	1,020	0	2,255,140	0	2,354,170
2017-2018 Estimated Year End	1,060	0	5,610,400	0	0	5,611,460
2018-2019 Dept Request	233,170	0	6,464,830	0	0	6,698,000
2018-2019 Manager's Budget	233,170	0	6,464,830	0	0	6,698,000
2018-2019 Adopted Budget						
2019-2020 Projected Budget	233,390	0	6,378,030	0	0	6,611,420
2020-2021 Projected Budget	233,620	0	4,507,800	0	0	4,741,420
2021-2022 Projected Budget	233,860	0	4,707,560	0	0	4,941,420
2022-2023 Projected Budget	234,100	0	4,562,320	0	0	4,796,420

The public safety fund collects the public safety millage, authorized by voters in November 2012 and renewed for a second 5 year term in 2016. The city budgets to levy 3.8374 mills of the 3.975 (reduced by Headlee to 3.8374) authorized levy for FY2018-19. This will be the second year of the renewal. The millage is approved for five years. Revenues generated by the police,

fire and ambulance functions are accounted for in this fund. At a minimum, it appears a renewal will be needed again.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The public safety millage is budgeted to generate approximately \$9.6 million based upon the millage rate of 3.8374 mills (the maximum authorized levy reduced by Headlee). Fiscal year 2018-19 will be the second year of the five year millage renewal. The forecast assumes the maximum authorized millage will be levied. A transfer of \$19 million from the general fund to offset the police, fire and ambulance functions' expenditures for fiscal year 2018-19 is budgeted. By the last year of the forecast, the general fund transfers-out is estimated at \$20.3 million to the public safety fund (see general fund forecast to review the growing use of general fund fund balance). The transfer from the DDA to this fund is budgeted at \$540,000 for policing services in the downtown area.

Budget Summary

PUBLIC SAFETY FUND	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	898,444	861,964	712,174	400,514	232,584	88,124
Revenues and transfers from other funds	29,419,090	30,593,020	30,833,700	31,580,390	32,233,250	32,892,430
Expenditures and transfers to other funds	29,455,570	30,742,810	31,145,360	31,748,320	32,377,710	33,029,350
Net Change in Fund Balance	(36,480)	(149,790)	(311,660)	(167,930)	(144,460)	(136,920)
Ending Fund Balance	861,964	712,174	400,514	232,584	88,124	(48,796)

Revenues

207-000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	8,527,310	0	1,099,330	13,550	185,670	18,375,000	28,200,860
2015-2016 Actual	8,811,470	0	1,322,880	7,970	170,950	19,540,000	29,853,270
2016-2017 Actual	9,086,400	0	1,271,270	17,640	140,830	19,240,000	29,756,140
2017-2018 Original Budget	9,355,000	0	1,234,400	10,000	118,520	19,240,000	29,957,920
2017-2018 Adjusted Budget (Dec)	9,355,000	0	1,234,400	10,000	118,520	19,240,000	29,957,920
2017-2018 Six Month Actual	108,030	0	697,830	1,080	28,840	9,620,000	10,455,780
2017-2018 Estimated Year End	9,297,000	0	1,322,500	10,000	149,590	18,640,000	29,419,090
2018-2019 Dept Request	9,627,000	0	1,302,500	10,000	113,520	19,540,000	30,593,020
2018-2019 Manager's Budget	9,627,000	0	1,302,500	10,000	113,520	19,540,000	30,593,020
2018-2019 Adopted Budget							
2019-2020 Projected Budget	9,867,680	0	1,302,500	10,000	113,520	19,540,000	30,833,700
2020-2021 Projected Budget	10,114,370	0	1,302,500	10,000	113,520	20,040,000	31,580,390
2021-2022 Projected Budget	10,367,230	0	1,302,500	10,000	113,520	20,440,000	32,233,250
2022-2023 Projected Budget	10,626,410	0	1,302,500	10,000	113,520	20,840,000	32,892,430

The Royal Oak Police Department's mission is to keep the City of Royal Oak a safe community.

ROPD is organized into two divisions, staff services division and patrol operations division. Additionally, there is a professional standards unit that reports directly to the chief. A complete 911-emergency police and fire dispatch function is housed and supervised within the police department. Services include responding to calls for service, traffic education and enforcement, emergency management, investigation and prosecution of criminal offenses, school liaison program, crime prevention, school crossing and maintaining a detention facility.

The patrol division has three eight-hour shifts: day, afternoon and midnight. Each patrol shift is led by a lieutenant and is staffed by patrol sergeants, and patrol officers, two K-9 officers, and police service aides. Part-time police desk assistants (PDA) staff the front desk on day shift and afternoon shift, which allows for an additional police officer on the road.

The Criminal Investigation Division (CID) is headed by a lieutenant, who supervises a sergeant, detectives, and officers assigned to various task forces.

Royal Oak participates in the following task forces; Narcotic Enforcement Team, FBI Violent Crimes Task Force, Troy Special Investigations Unit, Oakland County Auto Theft, and Secret Service Fraud Task Force. Royal Oak Police Department also has a school liaison officer assigned to Royal Oak High School

The records section collects, analyzes, and reports performance data, processes handgun permits and maintains evidence. The records section reports to the deputy chief of staff services.

Twenty volunteer auxiliary police "officers" assist the department in a variety of ways, including acting as extra "eyes and ears" while patrolling on Thursday, Friday and Saturday evenings, performing home vacation checks, and working special events such as the Woodward Dream Cruise, Arts, Beats and Eats and the Clay and Glass Festival. Additionally, auxiliary officers are available to assist patrol operations on an emergency call-out basis for downed wires, flooding, etc.

The police chief is the city's emergency manager. In separate cost centers, the chief is responsible for the animal control division, Royal Oak Animal Shelter, parking enforcement division and grant activity in the police grants fund.

GOALS

1. To keep Royal Oak safe.
2. To maintain a visible presence in the community.
3. To provide quality police service in the most efficient and cost effective manner possible.
4. To provide exceptional public safety for major events, such as Woodward Dream Cruise and Arts, Beats and Eats.
5. Utilize a data-driven approach to crime prevention and enforcement.

OBJECTIVES

GOALS**OBJECTIVES**

6. To establish or maintain partnerships with community groups to make the most of proactive police efforts.
7. Fully implement organizational changes.

Performance Indicators / Outcome Measures

	<u>Actual 2014</u>	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Actual 2017</u>	<u>Projected 2018</u>	<u>Projected 2019</u>
GOAL1 Calls for Service	44,616	49,696	48,147	49,139	51,000	51,000
GOAL1 CID Cases Assigned	837	823	733	789	850	850
GOAL1 Warrants Obtained	395	401	409	370	430	430
GOAL1 Traffic Violations Issued	14,147	14,656	14,244	14,145	17,000	17,000
GOAL1 Accidents reported-Non Injury	2,075	2,037	2,143	2,034	1,900	1,900
GOAL1 Accidents- Injury	241	242	227	255	250	250
GOAL1 Accidents- Fatal	2	1	1	4	1	1
GOAL1 Part A Crimes	2,205	2,320	2,350	1,987	2,500	2,500
GOAL1 Part B Crimes	1,228	1,296	1,344	1,409	1,600	1,600

Note: Police performance measures are reported on a calendar year basis as opposed to a fiscal year basis

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs will increase significantly due to filling vacancies to be at full staffing for fiscal year 18-19 as well as wage step increases for newer employees. Tuition reimbursement is increasing \$7,000 relative to the fiscal year 2017-18 projection as it has not been used much historically but is provided in the labor contract. Books and subscriptions are decreasing \$1,500 as it has been less expensive than anticipated to purchase books to create a leadership library. Uniforms are decreasing \$70,000 relative to the fiscal year 2017-18 projection due to changing out all uniforms in fiscal year 2017-18 and not necessary for fiscal year 2018-19. Communication systems are decreasing \$25,000 relative to the fiscal year 2017-18 original budget as the police department is not replacing current radios as the entire system is going to be replaced in a few years. Miscellaneous operating supplies are increasing \$4,900 to purchase scheduling software. Telecom line repairs are increasing \$2,000 due to expected price increases from AT&T. Heating and cooling repairs are increasing \$10,000 relative to the fiscal year 2017-18 projection as the aging building will require more maintenance.

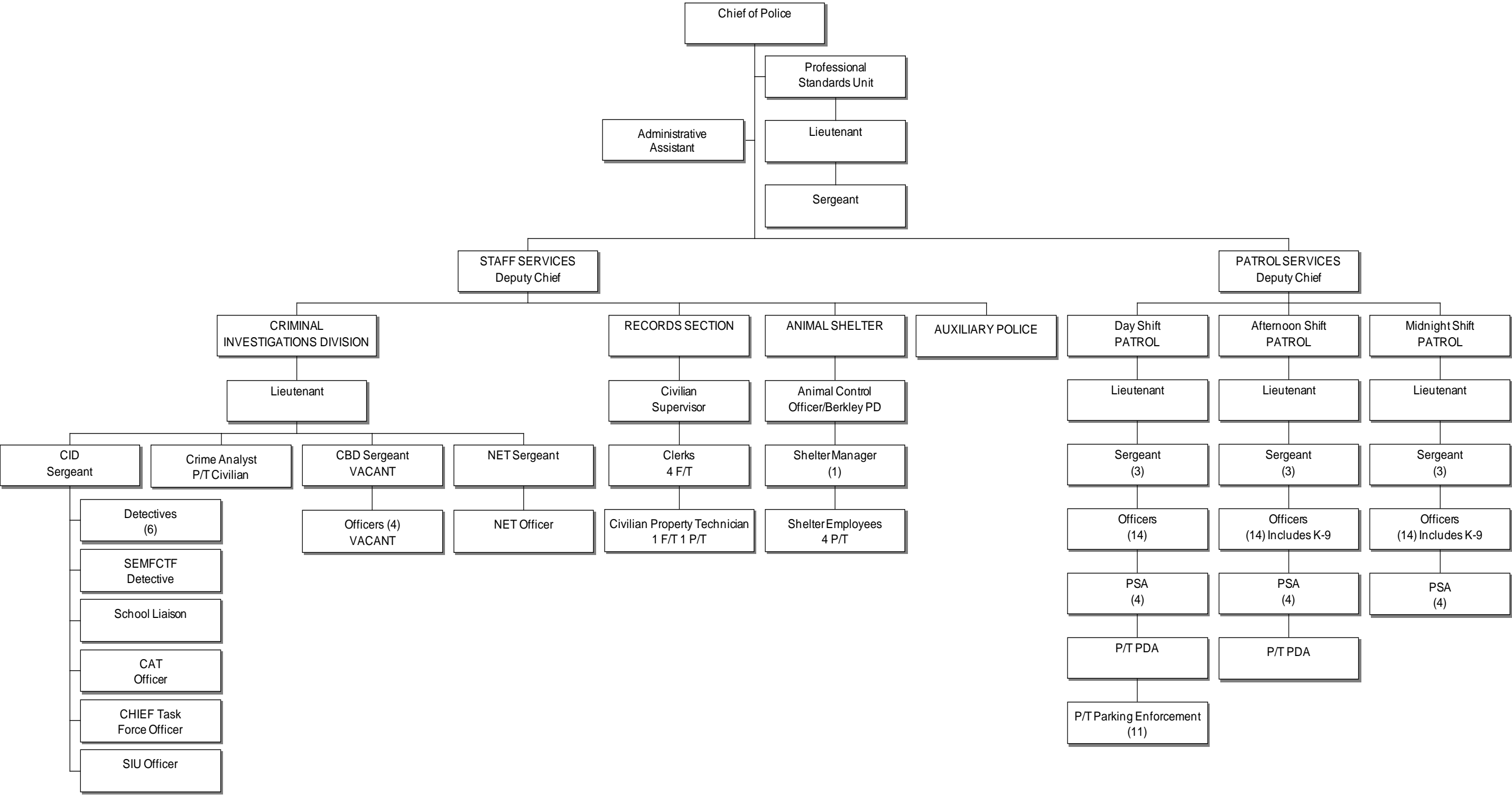
Budget Summary Expenditures

207.301 POLICE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	15,006,200	80,420	0	2,028,130	0	17,114,750
2015-2016 Actual	15,157,710	88,610	12,550	2,275,480	0	17,534,350
2016-2017 Actual	15,634,790	66,090	115,510	2,745,370	0	18,561,760
2017-2018 Original Budget	13,125,660	111,000	0	2,383,900	2,166,590	17,787,150
2017-2018 Adjusted Budget (Dec)	13,125,660	111,000	0	2,478,840	2,166,590	17,882,090
2017-2018 Six Month Actual	6,173,800	31,650	0	1,094,220	1,614,630	8,914,300
2017-2018 Estimated Year End	12,926,110	147,500	0	2,192,650	2,166,590	17,432,850
2018-2019 Dept Request	13,442,140	97,000	0	2,383,480	2,168,500	18,091,120
2018-2019 Manager's Budget	13,442,140	97,000	0	2,383,480	2,168,500	18,091,120
2018-2019 Adopted Budget						
2019-2020 Projected Budget	13,739,440	97,000	0	2,439,630	2,167,000	18,443,070
2020-2021 Projected Budget	14,046,020	97,000	0	2,498,260	2,168,000	18,809,280
2021-2022 Projected Budget	14,362,210	97,000	0	2,559,540	2,168,000	19,186,750
2022-2023 Projected Budget	14,688,300	97,000	0	2,623,660	2,168,000	19,576,960

Center Position Detail- Home Base Full & Part-time Employees

Police	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
Police Chief	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy Chief of Police	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Police Lieutenant	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0
Police Sergeant	11.0	10.0	10.0	13.0	13.0	13.0	13.0	13.0	13.0
Detective	7.0	5.0	5.0	7.0	7.0	7.0	7.0	7.0	7.0
Police Officer	40.0	44.0	48.0	51.0	51.0	51.0	51.0	51.0	51.0
Police Service Aide	9.0	9.0	9.0	12.0	12.0	12.0	12.0	12.0	12.0
Police Records Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Secretary I - Police	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
CS III - Detective Bureau	1.0	0.0	0.0	1.0	1.0	1.0	1.0	0.0	0.0
Police Records - MC III	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Detective Bureau - MC II	1.0	0.0	0.0	1.0	1.0	1.0	1.0	0.0	0.0
Police Records - MC II	0.0	1.0	1.0	1.0	2.0	2.0	2.0	4.0	4.0
Full-time Total	77.0	77.0	81.0	96.0	97.0	98.0	98.0	98.0	98.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	7.0	7.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	84.0	84.0	81.0	96.0	97.0	98.0	98.0	98.0	98.0

Departmental Organization Chart



The mission of the Royal Oak Fire Department is to protect and preserve life, property and the environment through a dedicated and highly trained professional team.

The fire department staffs three strategically located fire stations to provide the shortest possible response time to all areas of the city. Operations are funded primarily through general fund tax revenue along with a public safety millage.

Fire operations are organized into two divisions, fire prevention and fire suppression in this one cost center.

The fire prevention division provides risk management services. They lead inspections, investigations, test alarm panels and sprinkler systems, plan reviews, and fire code enforcement. They work with several other departments in the City of Royal Oak on plan reviews and annual business license renewals.

The fire suppression division responds to fire emergencies and medical emergencies, as well as special tactical operations for hazardous materials and technical rescue. Members of the suppression division also respond to calls for lift assistance, odor investigations, and downed power lines.

The department currently provides transporting Advanced Life Support (ALS) services to the City of Royal Oak and its immediate OakWay neighbors for medical care and transport to area hospitals. Costs of ambulance rescue services are tracked in the ambulance service cost center, so they can be evaluated against ambulance service revenue.

As part of the OakWay mutual aid pact, the suppression firefighters are first responders to our city and provide assistance to seven other neighboring fire departments.

The department responds to hazardous material incidents with an in-house initial response. If

additional resources are needed the city activates the OakWay Haz-Mat Team.

The department provides technical rescue response to the City of Royal Oak via the OakWay Technical Rescue Team. The city also coordinates with Birmingham, Madison Heights and Ferndale to form Squad 4 of the Oakland County Technical Rescue Regional Response Team.

The city's ISO rating which is based on manpower, stations, equipment, training and water supply is currently at three.

All fire department calls are dispatched by the 911 public safety answering point (PSAP) at the police department's dispatch center.

The department is responsible for the daily maintenance of all emergency response vehicles and equipment. The shift personnel maintain the stations' buildings and grounds.

Daily training is conducted to keep the quality of our service high and employee injuries low.

Grants are recorded in the grants fund.

A separate fire debt tax millage is collected and budgeted separately in the general obligation debt fund to pay the debt service on Series 2001A bonds that built or improved fire stations. The millage is to be levied at 0.2450 mills.

Fire apparatus are purchased by the motor pool and rented to the fire department. Those rental rates in this budget include charges for debt and/or capital replacement plus repair and maintenance costs.

The fire department currently has a CPR program for the public. This function is performed by the firefighters to the public for a nominal fee.

The fire department has a lockbox program for its residents, which provides firefighters easy access into homes in case of fires or medical runs.

GOALS

1. Provide the highest quality emergency services delivery.
2. Seek additional avenues for cost recovery and revenue sources.
3. Utilize technology to maximize the efficiency, effectiveness, and safety of fire operations.
4. Limit fire loss through increased comprehensive fire safety inspections.
5. Promote physical fitness for all personnel especially those who perform fire-fighting activities.
6. Evaluate the level of service being delivered to residents using an increased focus on measurable factors.
7. Maintain safe working conditions through the use of well-maintained equipment, and safe operating practices.
8. Explore additional fire grant opportunities.

OBJECTIVES

- Conduct and participate in advanced training as a department, and in conjunction with our mutual aid partners.^{GOAL1}
- Examine and recommend fee structure for annual fire inspections.^{GOAL2}
- Integrate information from Fire Prevention, Building, Engineering, and Oakland County with new station alerting software for real-time usage on emergency scenes.^{GOAL3}
- Increase the number of fire inspections annually to 630.^{GOAL4}
- Reduce the number of on-duty injuries through increased physical fitness and increased participation in the fitness incentive program.^{GOAL5}
- Identify and present an updated set of performance indicators to evaluate service delivery.^{GOAL6}
- Review current tactical policies, update or create SOG's as identified by review. Develop and implement equipment maintenance policies.^{GOAL7}
- Work with new personnel to identify and apply for any available grant funding to offset operational costs.^{GOAL8}

Performance Indicators / Outcome Measures

	<u>Actual</u> <u>FY 15-16</u>	<u>Actual</u> <u>FY 16-17</u>	<u>Dec 31</u> <u>2017</u>	<u>Projected</u> <u>FY17-18</u>	<u>Projected</u> <u>FY18-19</u>	<u>Projected</u> <u>FY19-20</u>
GOAL4 Structure Fires	65	60	35	70	68	68
GOAL4 Vehicle Fires	33	31	14	25	25	25
GOAL4 Other Fires	48	54	24	50	50	50
GOAL4 Total Fires	146	145	73	145	143	143
GOAL6 Total EMS Incidents	3,976	3,883	1,958	4,180	4,180	4,180
GOAL3 False Alarms including detector activations	359	360	180	290	290	290
GOAL3 Hazardous Conditions	274	403	177	380	380	380
GOAL1 Public Service Calls	430	527	211	530	530	530
GOAL1 Good Intent including Smoke Scares	663	597	330	704	780	780
GOAL1 Other Alarms	92	89	32	83	70	70
GOAL1 Incidents by Fire Station						
Station #1	2,498	2,645	1,265	2,510	2,510	2,510
Station #2	2,281	2,336	1,096	2,320	2,320	2,320
Station #3	1,161	1,023	607	1,400	1,400	1,370
Total Incidents	6,055	6,004	2,971	6,104	6,200	6,200
ISO Rating	3	3	3	3	3	3
GOAL6 Average Fire Response Time	05:49	05:50	05:16	05:00	05:00	04:45
GOAL4 # of Businesses available to inspect	2,100	2,396	2,100	2,100	2,100	2,100
GOAL4 # of Fire Prevention Inspections annually	611	702	295	600	610	630
GOAL4 # of those Re-Inspected due to violations	318	265	175	350	300	280
GOAL4 % of Businesses requiring Re-Inspection	52	11	80	80	80	70
GOAL4 # of Plan Reviews conducted annually	133	148	45	90	90	100
GOAL4 % of Businesses inspected annually	29	29	25	25	25	25

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The personnel budget is increasing due to newer employees (who are not at the top of their pay range) receiving wage increases and vacancies being filled. Office equipment is increasing relative to the fiscal year 2017-18 original budget by \$3,300 to make improvements to five staff offices. Equipment repair supplies are increasing \$1,000 relative to the fiscal year 2017-18 projection due to other aging equipment. Communication systems parts are increasing \$6,000 to budget for items that were formerly budgeted in the "ambulance service" cost center. Fire supplies are increasing \$1,500 due to an increase in price. Miscellaneous contracted services (\$4,000), heating/cooling repairs (\$1,500), plumbing repairs (\$1,500), and equipment repairs (\$3,500) are all increasing due to aging equipment that will require more maintenance. Miscellaneous building repairs are increasing \$8,000 to replace a large overhead door. Training is increasing \$2,250 relative to the fiscal year 2017-18 projection as newer fire fighters will require additional training. Hazardous materials costs are increasing \$3,000 to cover physicals for the hazmat team.

The following capital improvement project(s) are budgeted for the fire department for fiscal year 18-19:

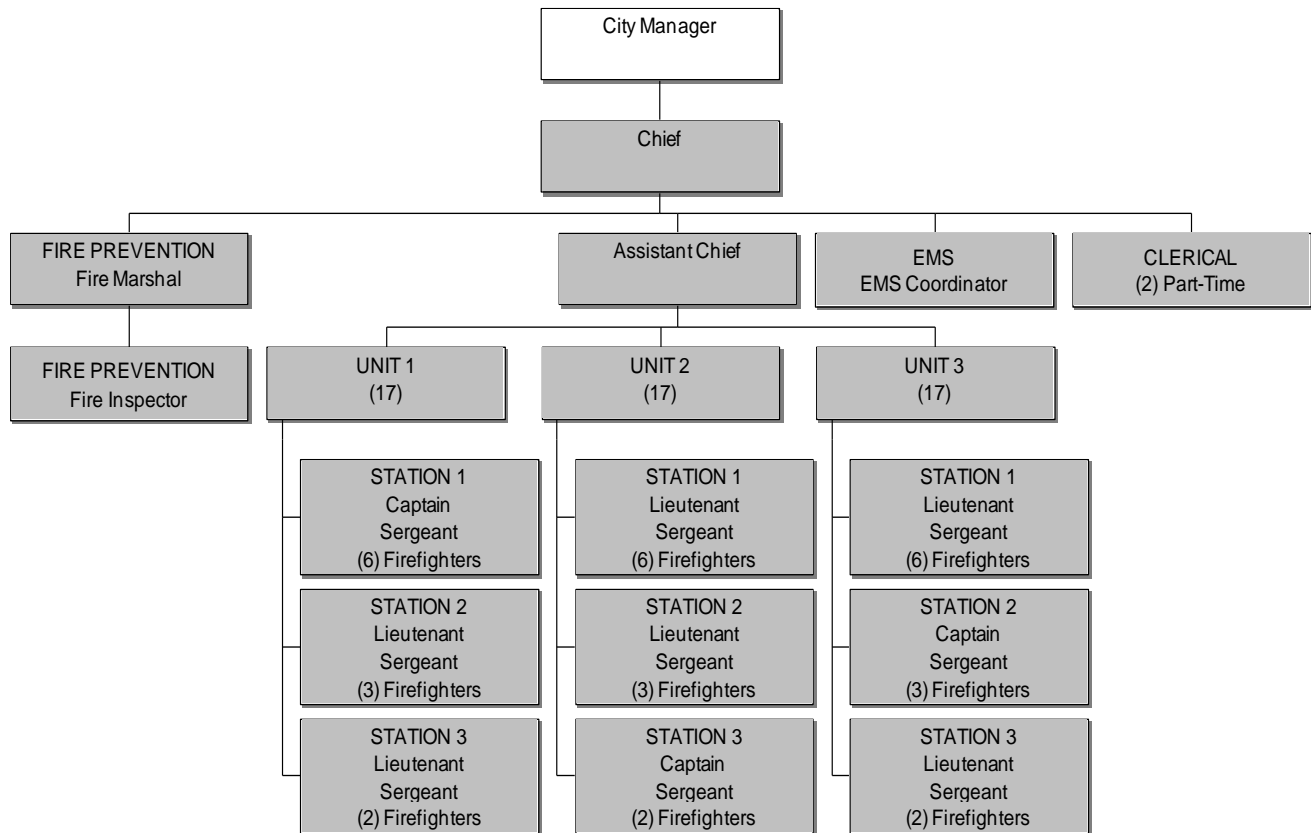
- Turnout Gear \$80,000
- EKG Monitor Replacement 70,000
- Radio Replacement 35,000

FY2018-19 Total: \$185,000

Budget Summary Expenditures

207.336 FIRE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	9,472,810	100,490	126,370	1,312,290	0	11,011,960
2015-2016 Actual	10,366,370	96,180	25,190	1,367,160	0	11,854,900
2016-2017 Actual	10,147,940	93,540	45,370	1,380,850	0	11,667,700
2017-2018 Original Budget	8,197,400	120,540	200,000	1,284,580	1,591,510	11,394,030
2017-2018 Adjusted Budget (Dec)	8,197,400	120,540	200,000	1,284,580	1,591,510	11,394,030
2017-2018 Six Month Actual	4,032,410	44,670	0	637,060	1,186,040	5,900,180
2017-2018 Estimated Year End	8,167,790	115,440	140,000	1,278,910	1,591,510	11,293,650
2018-2019 Dept Request	8,447,830	127,640	185,000	1,530,950	1,593,300	11,884,720
2018-2019 Manager's Budget	8,447,830	127,640	185,000	1,530,950	1,593,300	11,884,720
2018-2019 Adopted Budget						
2019-2020 Projected Budget	8,631,780	127,640	0	1,565,170	1,595,000	11,919,590
2020-2021 Projected Budget	8,821,680	127,640	0	1,600,800	1,590,000	12,140,120
2021-2022 Projected Budget	9,017,740	127,640	0	1,637,930	1,592,000	12,375,310
2022-2023 Projected Budget	9,220,180	127,640	0	1,676,660	1,595,000	12,619,480

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Fire	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
Fire Chief	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Fire Chief	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fire Marshal	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fire Prevention Inspector Act	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fire Captain	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Fire Lieutenant	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Fire Sergeant	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Firefighter	24.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0
Fire Dept - MC III	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-Time Total	46.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	0.7	1.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	46.7	56.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0

The mission of the ambulance service is to provide quality emergency transport and medical services within Royal Oak.

The fire department currently provides transporting Advanced Life Support (ALS) ambulances and one ALS engine to the City of Royal Oak and its immediate OakWay neighbors for medical care and transport to area hospitals. Costs of ambulance rescue services are tracked in this ambulance service cost center so they can be evaluated against ambulance service revenue.

Costs of billing and collecting ambulance services are included in this fund.

The fire department's EMS calls are dispatched by the 911 public safety answering point (PSAP) at the police department's dispatch center.

Ambulances are purchased by the motor pool and rented to the fire department. Those rental rates in this budget include charges for debt and/or capital replacement plus repair and maintenance costs.

GOALS

1. Maintain good working relationships with area hospitals and neighboring EMS agencies and continue to work with area hospitals and our mutual aid departments to provide the most efficient service and care for our patients.
2. Provide quality Advanced Life Support (ALS) with proper oversight and compliance with Oakland County Medical Control Authority protocols.
3. Provide a high level of EMS service through technology and a commitment to excellent customer service.
4. Look at ways to improve our service to our residents.

OBJECTIVES

- Enhance our working relationships with area hospitals and mutual aid departments to provide the best and most efficient care for our patients.^{GOAL1}
 - Review and update our protocols to maintain compliance with county standards.^{GOAL2}
 - Continue to improve medical training while controlling training costs by using our own certified instructors.^{GOAL3}
 - Maximize the use of Accumed Web for patient care and billable revenue.^{GOAL3}
 - Consistently review medical reports for quality and opportunities for service improvement.^{GOAL4}
-

Performance Indicators / Outcome Measures

	<u>Actual FY 15-16</u>	<u>Actual FY 16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
GOAL ³ Gross Collection Rate	n/a%	88.19%	85.93 %	86%	86%	86%
GOAL ¹ Total EMS Runs	3,976	3,883	1,958	4,300	4,300	4,300
GOAL ¹ Average EMS Turnout Time	n/a	n/a	n/a	1:30	1:15	1:15
Customer Satisfaction Score	94.97	95.63	95.50	96	96	97
National Average Customer Satisfaction Score	92.35	92.63	92.91	93	93	93

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

EMS supplies are increasing \$4,000 due to an increase in the price of medical supplies and an increase in the volume of runs. Equipment repairs and maintenance are increasing \$1,000 due to aging equipment. Training is decreasing \$10,000 relative to the fiscal year 2017-18 original budget due to an effort to do additional in-house training. However, it is increasing \$5,000 relative to the fiscal year 2017-18 projection to be prepared in the event additional outside training is required. Computer equipment leases are decreasing \$8,000 as this will now be budgeted in the "fire" cost center. Motor pool charges are increasing due to a catch-up plan to collect depreciation that was not collected many years ago during an intentional depreciation (collection) vacation. This catch-up will help to provide the proper accumulation of funds that will be sufficient for the motor pool's future replacement.

Budget Summary

Expenditures

207.344 AMBULANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	618,090	161,390	0	79,030	0	858,510
2015-2016 Actual	411,560	170,270	78,420	75,050	0	735,300
2016-2017 Actual	395,720	175,770	35,470	68,280	0	675,240
2017-2018 Original Budget	346,730	193,220	0	150,590	0	690,540
2017-2018 Adjusted Budget (Dec)	346,730	193,220	0	150,590	0	690,540
2017-2018 Six Month Actual	352,000	70,440	0	75,300	0	497,740
2017-2018 Estimated Year End	408,200	170,280	0	150,590	0	729,070
2018-2019 Dept Request	370,510	179,580	0	216,880	0	766,970
2018-2019 Manager's Budget	370,510	179,580	0	216,880	0	766,970
2018-2019 Adopted Budget						
2019-2020 Projected Budget	381,630	179,850	0	221,220	0	782,700
2020-2021 Projected Budget	393,130	180,150	0	225,640	0	798,920
2021-2022 Projected Budget	405,020	180,480	0	230,150	0	815,650
2022-2023 Projected Budget	417,320	180,840	0	234,750	0	832,910

Cost Center Position Detail - Home Base

Full & Part-time Employees

Ambulance Service (Fire)		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Fire ALS Coordinator		0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Full-Time Total		0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

The mission of the publicity tax fund is to inform prospective and existing residents and businesses about the advantages, programs and services that the City of Royal Oak City offers.

This fund collects the ad valorem publicity tax, authorized by State Act 59 of 1925, plus contributions from other city funds. The city is budgeting to levy 0.0180 mill for fiscal year 2018-19.

The City of Royal Oak's departments publish the *Insight* magazine quarterly. It focuses on the recreational and cultural activities available for the next season.

Additionally, *Insight* highlights many varied, on-going and special events and services. For

instance: library seminars, assessment notices and snow emergency procedures in the winter; yard waste procedures and the ice show in the spring; tax bills, the art fair and kids park programs in the summer; and senior trips, elections, leaf pickup and the holiday hockey tournament in the fall.

Copy preparation, editing and final makeup are coordinated by the superintendent of recreation and his staff. A local printer assists and completes the final document.

Magazines are mailed to all residents and businesses. Copies are displayed prominently in city hall and given out to attract new home buyers. Planners distribute copies to entice prospective developers and business persons.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The millage is budgeted to decrease slightly to 0.0180 mill based upon the allowable amount of tax revenue the levy is allowed to collect according to the legislation.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	21,902	24,162	23,232	20,412	15,572	8,602
Revenues and transfers from other funds	67,250	63,250	64,210	65,190	66,190	67,210
Expenditures and transfers to other funds	64,990	64,180	67,030	70,030	73,160	76,440
Net Change in Fund Balance	2,260	(930)	(2,820)	(4,840)	(6,970)	(9,230)
Ending Fund Balance	24,162	23,232	20,412	15,572	8,602	(628)

Revenues

211.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	46,750	0	0	0	190	25,000	71,940
2015-2016 Actual	47,190	0	0	0	160	20,000	67,350
2016-2017 Actual	47,730	0	0	0	150	27,730	75,610
2017-2018 Original Budget	48,700	0	0	0	160	20,000	68,860
2017-2018 Adjusted Budget (Dec)	48,700	0	0	0	160	20,000	68,860
2017-2018 Six Month Actual	45,870	0	0	0	190	0	46,060
2017-2018 Estimated Year End	47,000	0	0	0	250	20,000	67,250
2018-2019 Dept Request	48,000	0	0	0	250	15,000	63,250
2018-2019 Manager's Budget	48,000	0	0	0	250	15,000	63,250
2018-2019 Adopted Budget							
2019-2020 Projected Budget	48,960	0	0	0	250	15,000	64,210
2020-2021 Projected Budget	49,940	0	0	0	250	15,000	65,190
2021-2022 Projected Budget	50,940	0	0	0	250	15,000	66,190
2022-2023 Projected Budget	51,960	0	0	0	250	15,000	67,210

Expenditures

211.835 COMMUNITY PROMOTION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	27,440	35,990	0	10,710	0	74,140
2015-2016 Actual	28,450	36,060	0	11,100	0	75,610
2016-2017 Actual	28,990	36,500	0	10,520	0	76,010
2017-2018 Original Budget	16,480	36,000	0	16,380	0	68,860
2017-2018 Adjusted Budget (Dec)	16,480	36,000	0	16,380	0	68,860
2017-2018 Six Month Actual	7,730	16,880	0	8,670	0	33,280
2017-2018 Estimated Year End	16,700	36,000	0	12,290	0	64,990
2018-2019 Dept Request	15,890	36,000	0	12,290	0	64,180
2018-2019 Manager's Budget	15,890	36,000	0	12,290	0	64,180
2018-2019 Adopted Budget						
2019-2020 Projected Budget	16,340	37,800	0	12,890	0	67,030
2020-2021 Projected Budget	16,820	39,690	0	13,520	0	70,030
2021-2022 Projected Budget	17,310	41,670	0	14,180	0	73,160
2022-2023 Projected Budget	17,820	43,750	0	14,870	0	76,440

The mission of the solid waste function is to keep the city appealing by providing residents and businesses with desirable curbside refuse collection and disposal, recycling and yard waste services.

Curbside refuse, recycling and yard waste services to homes and businesses are administered by the department of public services.

To provide economical service, the city partners with the South Oakland County Resource Recovery Authority. SOCRRRA is a multi-community, public enterprise delivering outstanding services for Royal Oak's recycling, yard waste and composting needs.

SOCRRRA privatizes collection with a third-party waste hauler on a ten year contract ending in 2027. Household refuse and recycling material is picked-up weekly. Yard waste is collected seasonally April through mid-December.

Recycling and certain construction and household hazardous materials may be dropped off at the SOCRRRA drop-off site on Coolidge Highway north of 14 Mile Road by appointment.

Recycling is encouraged, as it reuses valuable raw resources, reduces landfill needs, and saves residents money. The city has implemented a business recycling program.

The DPS leaf pickup program vacuums up leaves raked onto city streets. Pickup begins at the end of October after leaves start dropping. Solid waste funding is also used for the removal and disposal of dead trees from public property.

A total millage rate of 2.9084 mills is budgeted. This is the maximum authorized amount which is made up of a voted local millage of 0.9619 and 1.9465 mills levied under authority of PA 298 of 1917 (MCL 123.261).

The solid waste function is a division of the department of public service.

GOALS

1. To provide refuse collection and disposal, recycling and yard waste services in both an efficient and effective manner in accordance with federal and state laws.
2. Provide street sweeping four times per year.
3. Increase percentage of recycled material.

OBJECTIVES

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY17-18</u>	<u>Projected FY17-18</u>
GOAL ² Tons of Yard Waste Diverted from Landfill	10,551	10,551	7,100	12,600	13,000	13,000
GOAL ³ Recycle tons	4,292	4,292	2,599	5,500	5,500	5,500
GOAL ¹ Hazardous Material Collected – Drop off	5,462	5,462	3,709	5,000	5,000	5,000

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The solid waste millage was renewed for five years at the August 2016 election. The full authorized millage is budgeted to be levied.

SOCRRA has renewed the contract with GFL for 10 years through 2027. Solid waste collection services are budgeted to increase 4.5% in fiscal year 18-19. SOCRRA has converted to single stream recycling. The facility conversion surcharge is \$334,000 annually for a total of 5.5 years. Solid waste disposal services are increasing \$20,000 relative to the fiscal year 2017-18 original budget due to contractual increases for tree removal services. The forecast shows the use of fund balance each year approximately equal to the conversion surcharge which will end by 2023. Therefore revenues and expenditures forecast is very stable (this assumes millage renewal).

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	6,542,830	5,443,840	5,263,560	5,029,270	4,736,010	4,553,580
Revenues and transfers from other funds	7,187,000	7,426,000	7,608,400	7,795,360	7,986,990	8,183,410
Expenditures and transfers to other funds	8,285,990	7,606,280	7,842,690	8,088,620	8,169,420	8,259,950
Net Change in Fund Balance	(1,098,990)	(180,280)	(234,290)	(293,260)	(182,430)	(76,540)
Ending Fund Balance	5,443,840	5,263,560	5,029,270	4,736,010	4,553,580	4,477,040

Revenues

226.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	6,477,600	0	1,210	28,300	57,860	0	6,564,970
2015-2016 Actual	5,810,170	0	2,340	43,160	31,360	0	5,887,030
2016-2017 Actual	6,898,570	0	260	51,730	62,690	405,860	7,419,110
2017-2018 Original Budget	7,010,000	0	2,000	60,000	45,000	0	7,117,000
2017-2018 Adjusted Budget (Dec)	7,010,000	0	2,000	60,000	45,000	0	7,117,000
2017-2018 Six Month Actual	6,921,950	0	0	41,510	42,310	0	7,005,770
2017-2018 Estimated Year End	7,047,000	0	0	90,000	50,000	0	7,187,000
2018-2019 Dept Request	7,296,000	0	0	80,000	50,000	0	7,426,000
2018-2019 Manager's Budget	7,296,000	0	0	80,000	50,000	0	7,426,000
2018-2019 Adopted Budget							
2019-2020 Projected Budget	7,478,400	0	0	80,000	50,000	0	7,608,400
2020-2021 Projected Budget	7,665,360	0	0	80,000	50,000	0	7,795,360
2021-2022 Projected Budget	7,856,990	0	0	80,000	50,000	0	7,986,990
2022-2023 Projected Budget	8,053,410	0	0	80,000	50,000	0	8,183,410

Expenditures

226.528 SOLID WASTE	Personnel Services	Supplies	Capital	Other	Transfers	Debt	Total
2014-2015 Actual	1,093,230	29,860	0	6,246,630	5,000	0	7,374,720
2015-2016 Actual	1,090,630	32,660	0	5,199,680	4,000	0	6,326,970
2016-2017 Actual	1,027,100	33,740	0	5,983,590	4,500	0	7,048,930
2017-2018 Original Budget	897,870	34,300	1,250,000	6,110,010	4,000	225,210	8,521,390
2017-2018 Adjusted Budget (Dec)	901,550	34,300	1,250,000	6,110,010	4,000	225,210	8,525,070
2017-2018 Six Month Actual	474,490	23,830	987,150	3,084,060	0	167,840	4,737,370
2017-2018 Estimated Year End	899,110	36,200	989,000	6,132,470	4,000	225,210	8,285,990
2018-2019 Dept Request	931,100	36,600	0	6,409,080	3,000	226,500	7,606,280
2018-2019 Manager's Budget	931,100	36,600	0	6,409,080	3,000	226,500	7,606,280
2018-2019 Adopted Budget							
2019-2020 Projected Budget	956,600	36,600	0	6,620,490	3,000	226,000	7,842,690
2020-2021 Projected Budget	983,010	36,600	0	6,840,010	3,000	226,000	8,088,620
2021-2022 Projected Budget	1,010,360	36,600	0	6,893,460	3,000	226,000	8,169,420
2022-2023 Projected Budget	1,038,680	36,600	0	6,955,670	3,000	226,000	8,259,950

Cost Center Position Detail - Home Base

Full & Part-time Employees

Solid Waste		Fiscal Year								
		11-12	12-13	13-14	14-15	15-16	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Director of Rec & Public Svc		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dps Supervisor - Highway		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sign Technician		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Equipment Operator II		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Equipment Operator I		3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Painting Machine Operator		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Truck Driver		5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Dps/Hwy - MC III		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment Repair-worker		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Solid Waste Employee		0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Full-Time Total		13.0	14.0	14.0	14.0	14.0	14.0	14.0	15.0	15.0
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		0.5	0.5	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		15.5	13.5	14.0	14.0	14.0	14.0	14.0	15.0	15.0

The Royal Oak Public Library provides opportunities for all to learn, connect, create, and innovate.

The Public Library of the City of Royal Oak is administered by a library board of nine members whose duties are fixed by ordinance and whose members are appointed for fixed terms by the mayor with city commission approval. The board appoints the librarian and subordinate employees of the library and determines their compensation. The board can make purchases for the library without the requisition chapter; however, the total amount expended by the board in any one year for compensation of employees, purchase, and other expenses cannot exceed the appropriation allowed for library purposes in the annual budget.

The Royal Oak Public Library provides informational and recreational resources to the community in many forms: books, e-books, audio books in several formats including downloadable ones, internet access, music CDs, DVDs, online databases with remote access, online courses, and local history materials. The library presents many programs for all ages and interests. The Royal Oak Public Library is a major information source for the community and a great place to access entertaining and informative books and media in both traditional and electronic formats.

The number of people coming to the library has more than doubled since 2006-2007, the first full year after its major renovation. The size of the library's collection, and the number of lending transactions have all increased significantly. Over one third of the residents of Royal Oak have a library card.

A growing number of programs attracted both adults and children in the last fiscal year. The library presents programs on a huge variety of topics; an average of 10 programs weekly. The summer reading program provides an entertaining way for children to maintain and improve their literacy skills during the summer vacation.

The Royal Oak Public Library is a great destination for residents seeking information and recreational reading, viewing, and listening. The number of card holders, persons making visits, and users checking out items in the last fiscal year are strong indications of the community's high regard for the services the library provides.

A dedicated 1 mill secures the operating funds restricted for Royal Oak Public Library purposes through the year 2023. The maximum allowable rate is now 0.9263 mill due to Headlee reductions over the years. The full allowable rate is budgeted to be levied for this fiscal year.

GOALS

1. To provide the best possible library service to the Royal Oak community through its lending collections and online access to databases, downloadables, and learning opportunities.
2. To provide a high standard of professional assistance in providing reference, information, and referral services.
3. To provide quality programs which encourage all forms of literacy, literature discussions, and self-improvement; spark interest in local history, the environment, and other topics of interest to the community including personal finance, health, and technology topics.

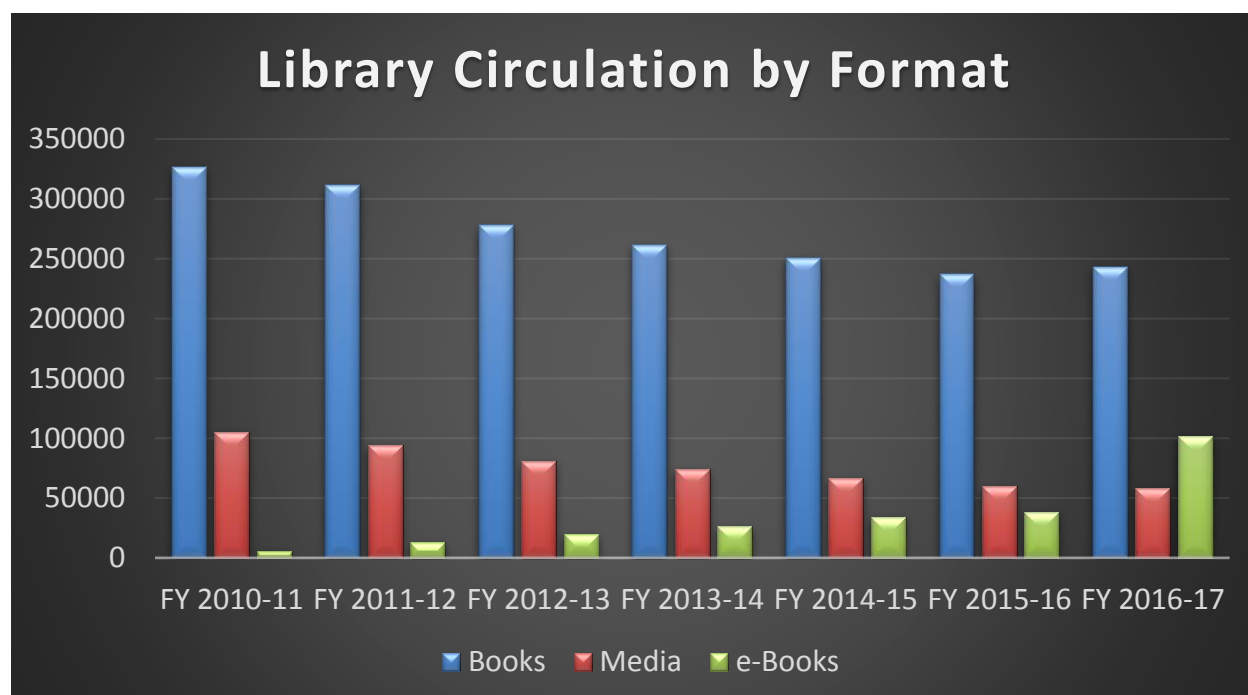
OBJECTIVES

- Continue to improve the book and media collections by purchasing new circulating and downloadable materials.^{GOAL1}
- Maximizing scheduling of staff to cover times of high volume circulation in order to minimize lines at the circulation desk and re-shelving time of returned materials.^{GOAL1}
- Encourage staff development opportunities and sharing of staff expertise so that all staff members are conversant in the library's many resources and formats.^{GOAL2}
- Continue to publicize to the community the information and referral services that are available from the library.^{GOAL2}
- Seek creative partnerships to sponsor programs.^{GOAL3}

4. To provide highly efficient stewardship of the tax revenue provided so generously by this city.
 5. To maximize opportunities to obtain grants and charitable giving.
 6. Carefully review expenditures.
- Continue to work closely with the Friends of the Library who provide funds for the library's programs through their Friend's Book Shop, online sales, and annual book sale.^{GOAL3,4}
 - Use cooperative purchasing agreements and volume discounts available through all sources.^{GOAL4}
 - Continue annual donation appeals to the community and to seek grants and other support for youth and adult programs and materials.^{GOAL5}

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
GOAL1 Registered Card Holders	33,140	24,317	23,908	26,000	30,000	30,000
GOAL1 Annual Library Visitors	347,223	369,996	191,638	400,000	400,000	400,000
GOAL1 Collection Size	179,393	162,945	160,133	175,000	185,000	185,000
GOAL1 E-Titles	n/a	587,262	600,000	600,000	600,000	600,000
GOAL1 Lending Transactions	372,934	403,009	152,008	400,000	400,000	400,000
GOAL2 Reference Question Responses	28,736	27,280	13,208	32,000	32,000	32,000
GOAL3 Programs Offered	425	513	197	510	510	510
GOAL3 Program Attendance	13,518	15,503	7,455	16,000	16,000	16,000
GOAL3 Summer Youth Reading Enrollment	1,003	1,441	n/a	1,600	1,600	1,600
Residents rated friendly	n/a	n/a	n/a	n/a	n/a	n/a
Residents rated helpful	n/a	n/a	n/a	n/a	n/a	n/a
Residents rated efficient	n/a	n/a	n/a	n/a	n/a	n/a



Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing due to adding a full-time IT specialist position. Office equipment is increasing \$15,000 to purchase new furniture. Computer supplies are increasing \$15,000 for additional technology for use by the public. Electronic resources are increasing \$7,000 due to resuming some databases that were discontinued in prior years. Downloadables are increasing \$15,000 due to high demand and adding training and non-feature/documentary films. \$130,000 is budgeted for roof panel replacement and renovating the 11 Mile Road emergency door for regular use. This fund is estimated to continue use of fund balance.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	1,491,035	1,534,415	1,279,205	1,173,555	1,083,435	1,016,105
Revenues and transfers from other funds	2,486,270	2,558,500	2,603,500	2,662,630	2,723,230	2,785,350
Expenditures and transfers to other funds	2,442,890	2,813,710	2,709,150	2,752,750	2,790,560	2,832,100
Net Change in Fund Balance	43,380	(255,210)	(105,650)	(90,120)	(67,330)	(46,750)
Ending Fund Balance	1,534,415	1,279,205	1,173,555	1,083,435	1,016,105	969,355

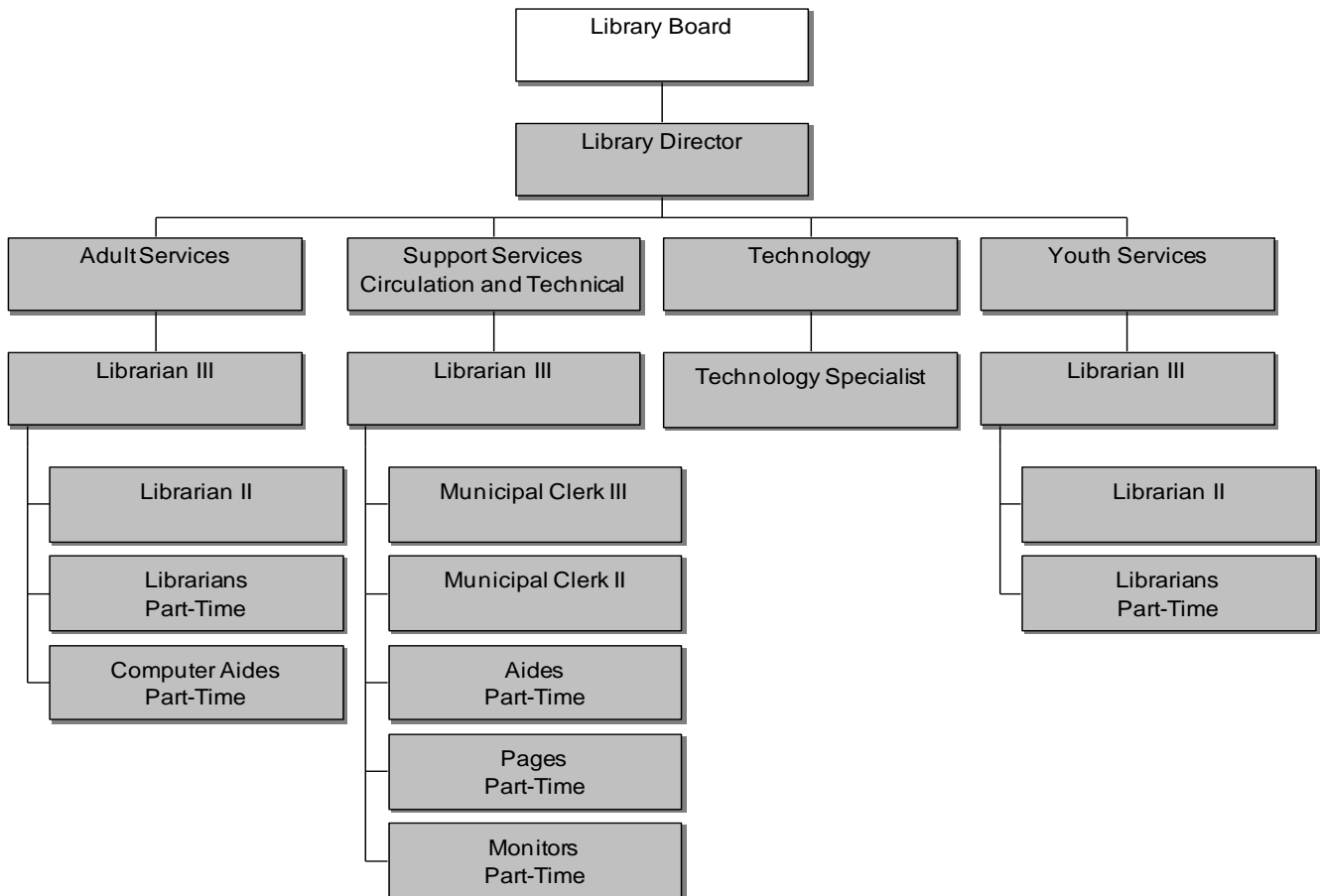
Revenues

271.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	2,063,680	33,710	156,980	14,070	7,180	30,000	2,305,620
2015-2016 Actual	2,134,660	35,600	178,230	19,590	5,220	20,000	2,393,300
2016-2017 Actual	2,197,660	37,430	180,320	21,760	5,700	263,480	2,706,350
2017-2018 Original Budget	2,230,000	33,000	149,000	26,500	6,500	25,000	2,470,000
2017-2018 Adjusted Budget (Dec)	2,230,000	33,000	149,000	26,500	6,500	25,000	2,470,000
2017-2018 Six Month Actual	2,204,670	18,850	141,140	12,770	2,240	0	2,379,670
2017-2018 Estimated Year End	2,245,000	36,000	159,570	16,200	4,500	25,000	2,486,270
2018-2019 Dept Request	2,320,000	37,000	157,500	39,000	5,000	0	2,558,500
2018-2019 Manager's Budget	2,320,000	37,000	157,500	39,000	5,000	0	2,558,500
2018-2019 Adopted Budget							
2019-2020 Projected Budget	2,365,000	37,000	157,500	39,000	5,000	0	2,603,500
2020-2021 Projected Budget	2,424,130	37,000	157,500	39,000	5,000	0	2,662,630
2021-2022 Projected Budget	2,484,730	37,000	157,500	39,000	5,000	0	2,723,230
2022-2023 Projected Budget	2,546,850	37,000	157,500	39,000	5,000	0	2,785,350

Expenditures

271.790 LIBRARY	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	1,400,410	179,690	0	392,620	278,440	2,251,160
2015-2016 Actual	1,391,690	254,960	0	361,830	279,220	2,287,700
2016-2017 Actual	1,442,050	266,650	0	370,970	280,880	2,360,550
2017-2018 Original Budget	1,092,020	314,400	0	454,510	639,080	2,500,010
2017-2018 Adjusted Budget (Dec)	1,092,020	314,400	0	454,510	639,080	2,500,010
2017-2018 Six Month Actual	540,240	157,590	0	207,600	283,930	1,189,360
2017-2018 Estimated Year End	1,075,380	310,000	0	418,430	639,080	2,442,890
2018-2019 Dept Request	1,217,220	360,500	130,000	464,490	641,500	2,813,710
2018-2019 Manager's Budget	1,217,220	360,500	130,000	464,490	641,500	2,813,710
2018-2019 Adopted Budget						
2019-2020 Projected Budget	1,252,030	360,500	0	456,120	640,500	2,709,150
2020-2021 Projected Budget	1,287,950	360,500	0	457,800	646,500	2,752,750
2021-2022 Projected Budget	1,325,030	360,500	0	459,530	645,500	2,790,560
2022-2023 Projected Budget	1,363,290	360,500	0	461,310	647,000	2,832,100

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Library	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
Library Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Librarian	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Librarian III	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0
Librarian II	3.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0
Library Technology Specialist	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	1.0
Librarian I	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Library - MC III	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Library - MC II	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Full-time Total	12.0	11.0	10.0	10.0	9.0	8.0	8.0	8.0	9.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	11.0	11.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	23.0	22.0	10.0	10.0	9.0	8.0	8.0	8.0	9.0

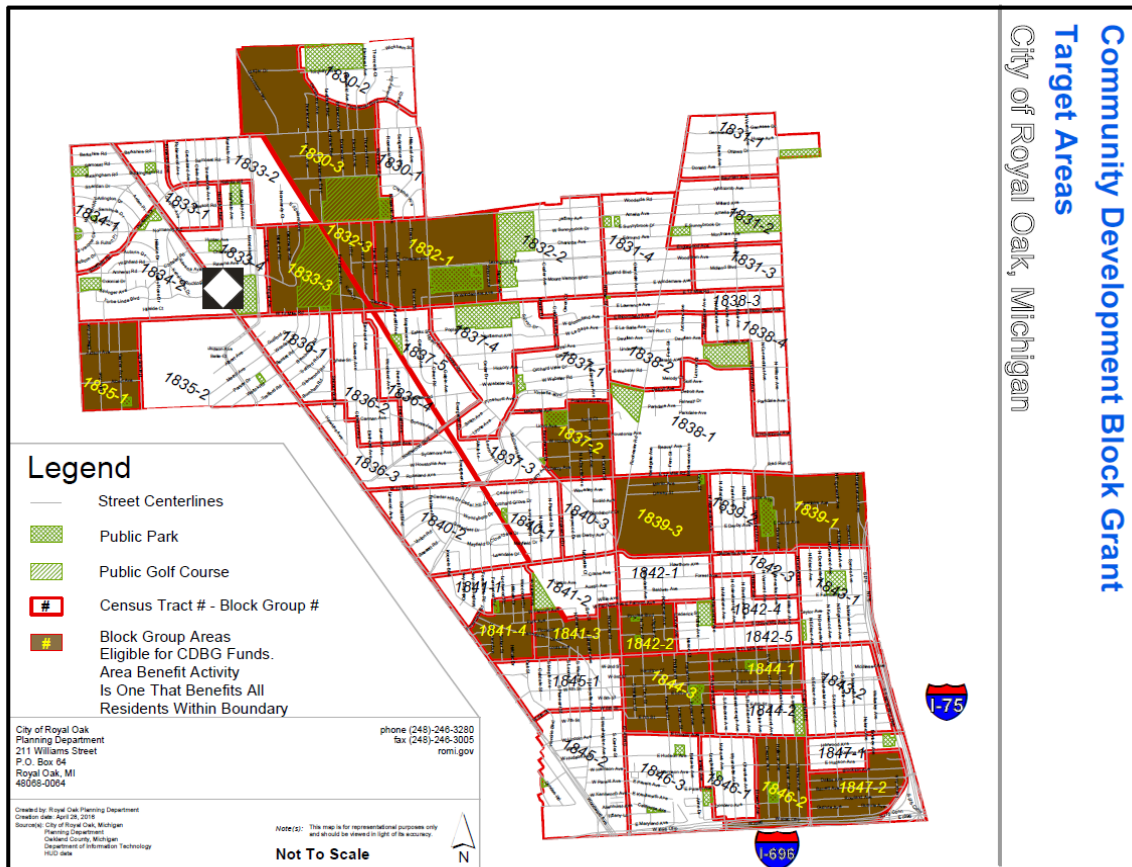
The mission of the community development block grant program is to develop viable urban communities by providing the following, principally for persons of low and moderate income: decent housing, a suitable living environment; and expanded economic opportunities.

Funding for CDBG fund operations comes from Federal Housing and Urban Development grants.

The city commission appoints a rehabilitation board of appeals to review community development matters including applications of

CDBG funded projects. The board makes recommendations to the city commission. The planning department staff oversees implementation of the grant and compliance with all associated federal requirements.

Historically, the city housing rehabilitation and senior center service programs are the recipients of the largest share of the CDBG program's annual grant amount. Large-scale capital projects, such as road improvements and the renovation of historic structures, have also received significant CDBG funds.



The mission of the housing rehabilitation program is to upgrade and conserve the existing housing stock of the City of Royal Oak meeting federal H.U.D. regulations for eligibility.

The housing rehabilitation loan program provides low-interest financing for necessary home repairs to eligible low and moderate income home owners.

The City of Royal Oak has operated a successful housing rehabilitation program since 1976, upgrading and conserving the existing single family housing stock in the city.

It is funded by Community Development Block Grant Program (CDBG) through the U.S. Dept. of Housing and Urban Development (HUD). Annually this revolving loan program makes new loans using new CDBG grants and repayments on existing loans.

Two kinds of loan are available: monthly installment loans at 3% interest for homeowners with incomes no greater than 80% of the Detroit area median income, and deferred loans for homeowners at 40% of the median income. Loans are required to address local property maintenance standards, HUD's minimum

Housing Quality Standards, and any identified lead-based paint hazards.

As a full service program, the city provides housing and credit counseling, loan underwriting, property inspections, contractor solicitation, and construction management.

Planning staff coordinates funding requests and provides reports and information on these Community Development Block Grant programs. The department also prepares documents such as the Impediments to Fair Housing, the Five Year Consolidated Plan, the Annual Action Plan, Comprehensive Annual Performance Evaluation Report, and other interim reports required by HUD for the rehab program.

Rehabilitation Board of Appeals: The Rehabilitation board of appeal is comprised of seven citizen members, empowered to grant or deny appeals from the eligibility requirements of the housing assistance program or actions of the administration of the rehabilitation loan committee. The decision of the board of appeals is final. Action to set aside guidelines and eligibility is on the basis of demonstrated hardship. Board members are appointed by the commission to three-year terms and meet the fourth Tuesday of each month.

GOALS

1. Increase the availability of decent, safe, and affordable housing.
2. Reduce the health risks of lead-based paint.
3. Continue the financial viability of the revolving loan program.

OBJECTIVES

Performance Indicators / Outcome Measures

	<u>Actual FY14-15</u>	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>
GOAL³ Rehabilitation Loans						
Loan Applications Received	34	34	23	29	35	35
Loan Applicants on Waiting List	0	0	63	0	0	0
Number of Loans Approved	24	24	19	10	32	32
Funds Available for Loans	\$315k	\$315k	\$315k	\$428k	\$500k	\$500k
Amount of Loans Approved	\$353k	\$353k	\$439k	\$1,910k	\$1,910k	\$500k
GOAL² Lead-based Paint Hazards						
Homes with Hazards Identified	21	21	11	10	15	15
Homes with Hazards Addressed	12	12	10	4	8	8
Repairs Made on Eligible Properties	24	24	19	0	32	32

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Contracted services are increasing \$5,000 relative to the fiscal year 17-18 original budget due to increased lead-based paint testing activity. Housing rehabilitation loans are decreasing \$28,260 compared to the 2017-18 projection due to a significant amount of housing projects that were carried over from fiscal year 16-17. However, the fiscal year 2018-19 department requested for housing rehabilitation loans is increasing \$40,000 relative to the 2017-18 original budget as the city is expecting to receive additional funds for the housing program. There will no longer be a \$10,000 contribution to Haven as they did not apply for funding. The tree planting program is requested to increase \$50,000 relative to the fiscal year 2017-18 projection due to bids for the fiscal year 2017-18 program coming in well below budget.

The following capital projects are budgeted for FY2018-19 (Deviates from CIP):

- Cody Park recreation equipment (Deviates from CIP) \$200,000
- Barton Park recreation equipment (Deviates from CIP) 200,000
- Grant Park recreation equipment (Deviates from CIP) 200,000

FY2018-19 Total: \$600,000

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	0	0	0	0	0	0
Revenues and transfers from other funds	1,639,380	2,201,270	1,889,130	1,931,690	1,838,920	1,835,820
Expenditures and transfers to other funds	1,639,380	2,201,270	1,889,130	1,931,690	1,838,920	1,835,820
Net Change in Fund Balance	0	0	0	0	0	0
Ending Fund Balance	0	0	0	0	0	0

Revenues

274.000 REVENUE	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Total
2014-2015 Actual	972,300	380,260	-	12,320	1,364,880
2015-2016 Actual	601,450	478,680	-	204,520	2,284,650
2016-2017 Actual	807,820	396,910	-	110,010	1,353,340
2017-2018 Original Budget	1,000,000	250,000	-	-	1,250,000
2017-2018 Adjusted Budget (Dec)	1,000,000	250,000	300,000	-	1,550,000
2017-2018 Six Month Actual	-	167,670	-	4,670	172,340
2017-2018 Estimated Year End	1,083,440	250,000	300,000	5,940	1,639,380
2018-2019 Dept Request	1,083,440	250,000	862,330	5,500	2,201,270
2018-2019 Manager's Budget	1,083,440	250,000	862,330	5,500	2,201,270
2018-2019 Adopted Budget					
2019-2020 Projected Budget	771,300	250,000	862,330	5,500	1,889,130
2020-2021 Projected Budget	813,860	250,000	862,330	5,500	1,931,690
2021-2022 Projected Budget	721,090	250,000	862,330	5,500	1,838,920
2022-2023 Projected Budget	717,990	250,000	862,330	5,500	1,835,820

Expenditures

274.692 HOUSING ASSISTANCE PROGRAM	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	147,700	120	0	443,990	0	591,810
2015-2016 Actual	152,740	120	0	259,930	0	412,790
2016-2017 Actual	136,410	190	0	460,470	0	597,070
2017-2018 Original Budget	82,680	200	0	800,580	18,760	902,220
2017-2018 Adjusted Budget (Dec)	82,680	200	0	800,580	18,760	902,220
2017-2018 Six Month Actual	36,320	130	0	84,040	0	120,490
2017-2018 Estimated Year End	82,790	210	0	789,100	0	872,100
2018-2019 Dept Request	83,940	200	0	1,120,760	0	1,204,900
2018-2019 Manager's Budget	83,940	200	0	1,120,760	0	1,204,900
2018-2019 Adopted Budget						
2019-2020 Projected Budget	86,220	200	0	1,120,760	0	1,207,180
2020-2021 Projected Budget	88,580	200	0	1,120,760	0	1,209,540
2021-2022 Projected Budget	91,020	200	0	1,120,760	0	1,211,980
2022-2023 Projected Budget	93,550	200	0	1,120,760	0	1,214,510

274.712 BLOCK GRANT ADMINISTRATION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	269,090	610	0	25,190	0	294,890
2015-2016 Actual	253,610	230	0	33,940	0	287,780
2016-2017 Actual	226,140	120	0	12,890	0	239,150
2017-2018 Original Budget	153,630	500	0	30,650	0	184,780
2017-2018 Adjusted Budget (Dec)	153,630	500	0	30,650	0	184,780
2017-2018 Six Month Actual	56,400	0	0	25,660	0	82,060
2017-2018 Estimated Year End	153,700	500	0	38,240	0	192,440
2018-2019 Dept Request	163,940	500	0	28,930	0	193,370
2018-2019 Manager's Budget	163,940	500	0	28,930	0	193,370
2018-2019 Adopted Budget						
2019-2020 Projected Budget	168,090	500	0	28,930	0	197,520
2020-2021 Projected Budget	172,380	500	0	28,930	0	201,810
2021-2022 Projected Budget	176,820	500	0	28,930	0	206,250
2022-2023 Projected Budget	181,410	500	0	28,930	0	210,840

CDBG Fund – Housing Rehabilitation Program

274.759 SENIOR CENTER	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	19,940	0	19,940
2015-2016 Actual	0	0	0	28,000	0	28,000
2016-2017 Actual	0	0	0	31,540	0	31,540
2017-2018 Original Budget	0	0	0	33,000	0	33,000
2017-2018 Adjusted Budget (Dec)	0	0	0	33,000	0	33,000
2017-2018 Six Month Actual	0	0	0	18,180	0	18,180
2017-2018 Estimated Year End	0	0	0	33,000	0	33,000
2018-2019 Dept Request	0	0	0	33,000	0	33,000
2018-2019 Manager's Budget	0	0	0	33,000	0	33,000
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	0	33,000	0	33,000
2020-2021 Projected Budget	0	0	0	33,000	0	33,000
2021-2022 Projected Budget	0	0	0	33,000	0	33,000
2022-2023 Projected Budget	0	0	0	33,000	0	33,000

274. OTHER COST CENTERS	Personnel Services	Supplies	Capital	Other	Transfers	Debt	Total
2014-2015 Actual	37,080	0	0	92,690	0	0	129,770
2015-2016 Actual	21,970	0	0	1,449,980	0	0	1,471,950
2016-2017 Actual	0	0	0	193,270	0	0	193,270
2017-2018 Original Budget	0	0	0	230,000	0	0	230,000
2017-2018 Adjusted Budget (Dec)	0	0	0	230,000	0	0	230,000
2017-2018 Six Month Actual	0	0	0	0	0	0	0
2017-2018 Estimated Year End	0	0	0	130,000	0	0	130,000
2018-2019 Dept Request	0	0	0	770,000	0	0	770,000
2018-2019 Manager's Budget	0	0	0	770,000	0	0	770,000
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	0	0	20,000	0	0	20,000
2020-2021 Projected Budget	0	0	0	20,000	0	0	20,000
2021-2022 Projected Budget	0	0	0	20,000	0	0	20,000
2022-2023 Projected Budget	0	0	0	20,000	0	0	20,000

CDBG Fund – Housing Rehabilitation Program

274. OTHER COST CENTERS	Personnel Services	Supplies	Capital	Other	Transfers	Debt	Total
2014-2015 Actual	0	0	0	0	0	0	0
2015-2016 Actual	0	0	720	0	0	0	720
2016-2017 Actual	0	0	950	330	0	0	1,280
2017-2018 Original Budget	0	0	200,000	0	0	0	200,000
2017-2018 Adjusted Budget (Dec)	0	0	200,000	0	0	0	200,000
2017-2018 Six Month Actual	0	0	0	0	0	0	0
2017-2018 Estimated Year End	0	0	1,530	0	0	0	1,530
2018-2019 Dept Request	0	0	0	0	0	0	0
2018-2019 Manager's Budget	0	0	0	0	0	0	0
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	0	200,000	0	0	0	200,000
2020-2021 Projected Budget	0	0	400,000	0	0	0	400,000
2021-2022 Projected Budget	0	0	600,000	0	0	0	600,000
2022-2023 Projected Budget	0	0	0	0	0	0	0

Cost Center Position Detail - Home Base

Full & Part-time Employees

Housing Assistance		Fiscal Year								
		11-12	12-13	13-14	14-15	15-16	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Housing Program Supervisor		1.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Housing Rehabilitation Officer		0.0	0.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0
CS III - Housing		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-time Total		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

The mission of the inspection division of the building division is to effectively administer the Michigan construction codes and local ordinances to ensure public health, safety and welfare.

Pursuant to the provisions of Section 9 of Act No. 230 of the Michigan Public Act of 1972 (MCLA § 125.1509), the Royal Oak building official is designated as the enforcing agency to discharge the responsibilities of the act. The city's building division assumes responsibility for the administration and enforcement of the act within our corporate limits.

The building inspection division issues permits for commercial and residential construction projects and performs related building, mechanical, electrical and plumbing inspections throughout the construction process to insure compliance with state construction codes and local ordinances. Fees are intended to cover the costs of this special revenue fund.

The building division of community development department consists of two areas: building inspection and code enforcement.

GOALS

1. To inspect all new construction to help ensure a safe environment for city residents, businesses, and visitors.
2. To provide professional services to our customers that will encourage development and growth within the city.
3. To encourage and support diverse investment to maximize property values and facilitate employment opportunities.
4. Provide accurate and thorough plan reviews within 14 days.
5. Provide requested inspections by the next business day.
6. Fiscal Management – To preserve Royal Oak as a safe and healthy community through sound fiscal policy, strategic planning, prompt decisive actions and effective management of taxpayer's assets.

OBJECTIVES

- Review and update service fees every year to insure costs (i.e. staff time, enforcement, overhead, supplies, etc.) are covered.^{GOAL6}

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
GOAL ¹ Percent of Required Code Training Received	100	100	100	100	100	100
GOAL ² Percent of Inspections Performed Within the Next Business Day	95	95	95	95	95	95
GOAL ¹ Percent of Plans Reviewed for Permit Within 14 Business Days	85	85	85	95	95	95
<u>Permits Issued</u>						
Building	2,194	2,451	1,278	2,500	2,200	2,200
Electrical	1,763	1,771	877	1,500	1,500	1,500
Mechanical	1,550	1,376	690	1,300	1,300	1,300
Plumbing Sewer	1,456	1,047	579	1,100	1,200	1,200
Construction Value (in 1000's)	\$168,000	\$129,000	\$105,000	\$140,000	\$120,000	\$120,000

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Revenues are decreasing relative to fiscal year 17-18 projections due to conservative budgeting as construction activity is unpredictable and permit revenues can vary greatly. Total expenditures are decreasing due to a one-time transfer of cash to the ROCC project for this function's square footage of new city hall building. Personnel costs are increasing due to filling vacancies. Office supplies, furniture, subscriptions, safety clothing, training and dues/memberships are all expected to increase due to adding the new employees. Contracted services are requested to remain at \$85,000 as it is difficult to fill inspector vacancies and there will be an overlap period requiring contractors to keep up with workflow while new employees are being trained.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	5,603,295	6,486,305	6,625,535	6,720,515	6,769,735	6,771,605
Revenues and transfers from other funds	3,112,500	1,912,500	1,912,500	1,912,500	1,912,500	1,912,500
Expenditures and transfers to other funds	2,229,490	1,773,270	1,817,520	1,863,280	1,910,630	1,959,620
Net Change in Fund Balance	883,010	139,230	94,980	49,220	1,870	(47,120)
Ending Fund Balance	6,486,305	6,625,535	6,720,515	6,769,735	6,771,605	6,724,485

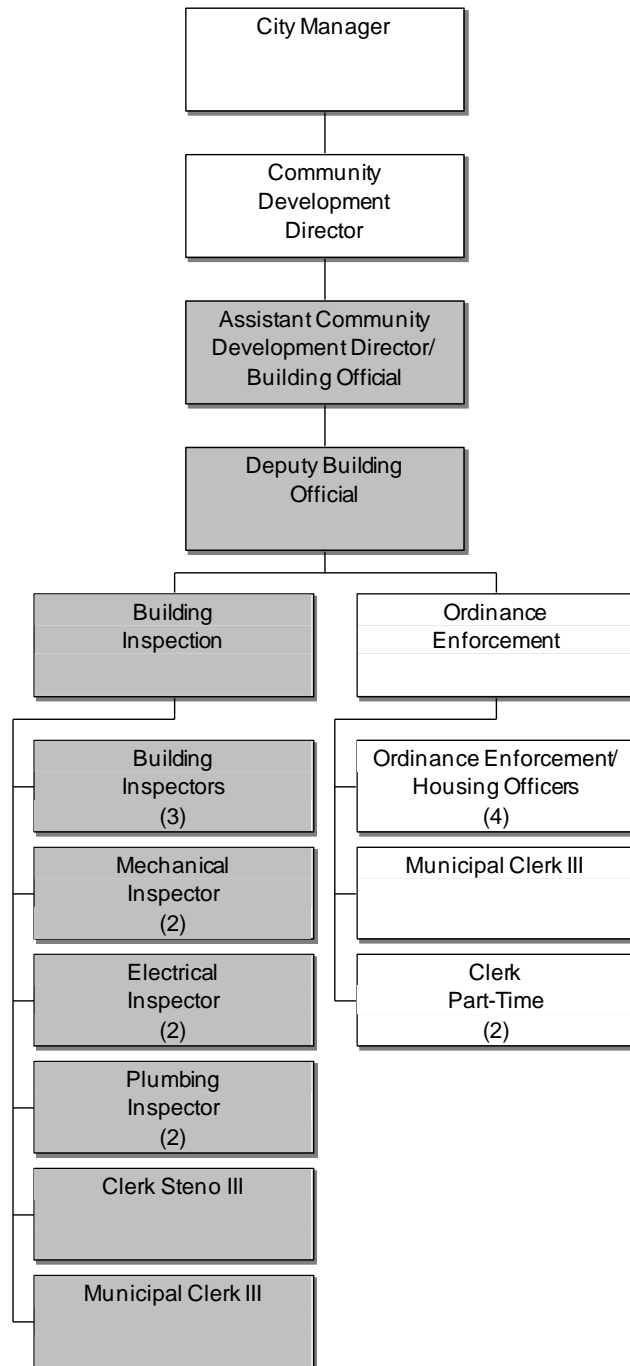
Revenues

282.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	3,130,200	0	21,730	80,120	3,232,050
2015-2016 Actual	0	0	4,307,480	0	39,650	68,320	4,415,450
2016-2017 Actual	0	0	2,831,410	0	32,240	248,300	3,111,950
2017-2018 Original Budget	0	0	1,840,000	0	20,000	50,000	1,910,000
2017-2018 Adjusted Budget (Dec)	0	0	1,840,000	0	20,000	50,000	1,910,000
2017-2018 Six Month Actual	0	0	1,969,690	0	27,770	34,210	2,031,670
2017-2018 Estimated Year End	0	0	3,009,500	0	50,000	53,000	3,112,500
2018-2019 Dept Request	0	0	1,812,500	0	50,000	50,000	1,912,500
2018-2019 Manager's Budget	0	0	1,812,500	0	50,000	50,000	1,912,500
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	0	1,812,500	0	50,000	50,000	1,912,500
2020-2021 Projected Budget	0	0	1,812,500	0	50,000	50,000	1,912,500
2021-2022 Projected Budget	0	0	1,812,500	0	50,000	50,000	1,912,500
2022-2023 Projected Budget	0	0	1,812,500	0	50,000	50,000	1,912,500

Expenditures

282.371 INSPECTION	Personnel Services	Supplies	Capital	Other	Transfers	Debt	Total
2014-2015 Actual	1,209,190	3,820	0	322,390	5,000	0	1,540,400
2015-2016 Actual	1,180,430	6,290	0	383,390	34,000	0	1,604,110
2016-2017 Actual	4,741,980	6,790	0	369,730	4,500	0	5,123,000
2017-2018 Original Budget	1,217,000	12,500	0	676,500	4,000	0	1,910,000
2017-2018 Adjusted Budget (Dec)	1,217,000	12,500	0	676,500	4,000	0	1,910,000
2017-2018 Six Month Actual	383,600	860	0	210,150	0	0	594,610
2017-2018 Estimated Year End	906,230	8,000	0	448,500	866,760	0	2,229,490
2018-2019 Dept Request	1,229,180	12,500	0	528,590	3,000	0	1,773,270
2018-2019 Manager's Budget	1,229,180	12,500	0	528,590	3,000	0	1,773,270
2018-2019 Adopted Budget							
2019-2020 Projected Budget	1,269,350	12,500	0	532,670	3,000	0	1,817,520
2020-2021 Projected Budget	1,310,920	12,500	0	536,860	3,000	0	1,863,280
2021-2022 Projected Budget	1,353,970	12,500	0	541,160	3,000	0	1,910,630
2022-2023 Projected Budget	1,398,540	12,500	0	545,580	3,000	0	1,959,620

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Building	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
Assistant C.D. Director / Building Official	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy Building Official	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
CS III Inspection	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Inspection - MC III	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Building Inspectors	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Electrical Inspector	0.0	0.0	0.0	0.0	1.0	1.0	1.0	2.0	2.0
Housing Inspector	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mechanical Inspector	0.0	0.0	0.0	0.0	1.0	1.0	1.0	2.0	2.0
Plumbing Inspector	0.0	0.0	0.0	0.0	1.0	1.0	1.0	2.0	2.0
Full-Time Total	5.0	5.0	5.0	6.0	11.0	10.5	10.5	13.5	13.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	1.1	0.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	6.1	5.6	5.0	6.0	11.0	10.5	10.5	13.5	13.0

The Roots (Royal Oak Opportunity to Serve) Foundation is a committee established by the city charter. Its purpose is to promote charitable contributions through the city for disbursement

to various organizations or projects whose work constitutes a public purpose within the city. This fund records the receipt and disbursements of the monies/property.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	498,809	503,059	503,949	504,089	503,439	501,959
Revenues and transfers from other funds	76,690	56,000	56,000	56,000	56,000	56,000
Expenditures and transfers to other funds	72,440	55,110	55,860	56,650	57,480	58,350
Net Change in Fund Balance	4,250	890	140	(650)	(1,480)	(2,350)
Ending Fund Balance	503,059	503,949	504,089	503,439	501,959	499,609

Revenues

295.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	136,670	0	0	136,670
2015-2016 Actual	0	0	0	101,540	0	0	101,540
2016-2017 Actual	0	0	0	89,880	0	0	89,880
2017-2018 Original Budget	0	0	0	63,600	0	0	63,600
2017-2018 Adjusted Budget (Dec)	0	0	0	63,600	0	0	63,600
2017-2018 Six Month Actual	0	0	0	34,930	0	0	34,930
2017-2018 Estimated Year End	0	0	0	76,690	0	0	76,690
2018-2019 Dept Request	0	0	0	56,000	0	0	56,000
2018-2019 Manager's Budget	0	0	0	56,000	0	0	56,000
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	0	0	56,000	0	0	56,000
2020-2021 Projected Budget	0	0	0	56,000	0	0	56,000
2021-2022 Projected Budget	0	0	0	56,000	0	0	56,000
2022-2023 Projected Budget	0	0	0	56,000	0	0	56,000

Expenditures

295. MULTIPLE COST CENTERS	Personnel Services	Supplies	Capital	Other	Transfers	Debt	Total
2014-2015 Actual	0	34,970	800	10,900	41,130	0	87,800
2015-2016 Actual	0	38,360	0	20,470	55,970	0	114,800
2016-2017 Actual	0	40,980	0	22,050	31,440	0	94,470
2017-2018 Original Budget	0	2,500	0	16,100	45,000	0	63,600
2017-2018 Adjusted Budget (Dec)	0	6,400	0	12,200	45,000	0	63,600
2017-2018 Six Month Actual	0	2,460	0	14,820	29,440	0	46,720
2017-2018 Estimated Year End	0	9,080	0	18,360	45,000	0	72,440
2018-2019 Dept Request	0	0	0	10,110	45,000	0	55,110
2018-2019 Manager's Budget	0	0	0	10,110	45,000	0	55,110
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	0	0	10,110	45,750	0	55,860
2020-2021 Projected Budget	0	0	0	10,110	46,540	0	56,650
2021-2022 Projected Budget	0	0	0	10,110	47,370	0	57,480
2022-2023 Projected Budget	0	0	0	10,110	48,240	0	58,350

The City of Royal Oak offers mature adults opportunities for lifelong education, fitness, nutrition, and leisure activities. Supportive services that promote independence and quality of life are available for residents who are 62 and over or permanently disabled adults.

The City of Royal Oak's recreation department does not discriminate against any program participant or applicant for participation because of actual or perceived race, color, religion, national origin, sex, age, height, weight, condition of pregnancy, marital status, physical or mental limitations, legal source of income, family responsibilities, sexual orientation, gender identity, or HIV status of person, that person's relatives, or that person's associates or for any other reason (s) prohibited by law. The City of Royal Oak will take affirmative action to insure that all practices are free from such discrimination.

Senior administrative offices and the bulk of its programs are located at the Mahany/Meininger Center (the M/M or Senior Center). Additional activities are held at the Salter Center and other sites.

The coordinator of senior citizen activity is responsible for all cost centers and reports to the superintendent of recreation. Senior programs include a wide range of activities supported by an equally diverse group of fees, donations and grants.

Center Operations CDBG (274.759) - A significant portion of costs were covered by federal reimbursement and recorded in the Block Grant Fund (274.759). Former CDBG budgets covered wages for one full-time and various part-time employees providing services to seniors at the Mahany/Meininger (M/M) and Salter Centers. It also pays a subsidy for R.O.S.E.S. personnel serving low-income residents. CDBG funds were used for the replacement of front building windows at the Mahany/Meininger Senior Community Center.

Janitorial, repair, maintenance, heating, cooling and other miscellaneous items are charged to the senior citizen services fund. Senior building maintenance, taps into fund balance for the balance of its budget. At this time, due to eligibility concerns, CDBG will not be supporting any senior center costs.

The Mahany/Meininger Senior Center has a senior's resource center that provides brochures for seniors from businesses with products and services for older adults. The fees to display brochures are \$10 monthly or \$100 yearly.

Health and wellness programs are offered at the Salter Center for individual's 50 years of age and over. Pickle ball, while easy for beginners, can also develop an intense competition for high-level players; is played one evening and two days a week. Bounce volleyball numbers are increasing daily. Walking on a daily basis is very popular. This fund pays the recreation fund for the rental of the Salter Center.

The recreation specialist plans, publicizes and schedules activities, classes, plus one day and extended trips tailored to senior citizens' interests. Three trips per month are scheduled on average.

At the M & M center, new programs include: Art of Basket Making, Charming Charcoal Drawing, Delightful Drawing Primer Classes, Find Your Way to Writing, Portraits in Pencil, Watercolor Painting, Grief Support Group and Silversneakers Class.

Tim's Kitchen, a senior congregate meal program, began in June 2007. About 11,139 tasty and nutritious meals were served from July 2016 – June 2017. The program proves very popular with new people attending each month.

Senior building maintenance (296.750) - This budget covers utilities, janitorial, heating & cooling, and other building maintenance and repair items of the M/M Center. Funding of approximately \$50,000 from M/M rentals partially funds this budget. The remainder is covered by other receipts.

R.O.S.E.S. (296.686) - Royal Oak Senior Essential Services is a local program hiring contract workers to provide home chores, minor home repairs and personal care to senior citizens, age 62 and over, and permanently handicapped adults. R.O.S.E.S. enables older adults who reside in Royal Oak to remain independent in their own homes, shorten hospital stays, lower health care costs and reduce the need for institutionalization.

R.O.S.E.S. workers are independent contractors with this agency and have agreed to work at an affordable per-hour or per-job rate dependent upon the service rendered. The client is responsible for interviewing the worker, hiring and

paying the worker directly. Special arrangements may be made for low-income clients, reducing the per-hour rate.

The ROSES budget pays half of the wages for two part-time ROSES aides, paid by client administrative fees and donations. The remainder of the ROSES aides' wages is paid by the CDBG budget.

A.G.E. (296.687) – The Adjacent Generational Exchange volunteer program, funded by a Beaumont Health grant, pays a volunteer coordinator to recruit, train and place volunteers to serve senior citizen needs. In the community, volunteers provide senior citizens with meals and assistance delivered to homes, and transportation.

One A.G.E. staff member is trained to counsel seniors in Medicare D prescription drug coverage. 53 seniors received assistance in plan eligibility, benefit comparisons, low income assistance and enrollment assistance. This program runs from November 15th to December 31st annually, by appointment only.

Eighteen volunteers assisted 447 seniors with free tax help and free e-filing. Royal Oak's volunteer program was awarded the 904th Point of Light by former President George Bush in 1992.

Non-senior volunteers assist staff with programming. Sources include care management professionals providing mentally impaired adults with a job coach, students from Judson Center and Berkley Schools provide a cleaning and nutrition program.

Transportation (296.688) – The senior transportation program continues to provide high quality van service for 12,079 one-way trips to doctor appointments, grocery shopping, and programs at the senior center. This service promotes independence for residents aged 62 or older, and adults who are permanently handicapped. Door-to-door service is available to those with mobility problems who need to be personally escorted to the buses.

We are partnering with the City of Pleasant Ridge to provide bus transportation to senior residents of Pleasant Ridge once a week and one trip per month. The City of Royal Oak receives PR Municipal and Community Credits to provide this service.

Another partnership is with the Royal Oak Middle School to provide transportation every Friday for mentally and physically challenged student's social outings.

The city currently operates six community transit vehicles purchased in collaboration with SMART. This budget provides for part-time (8 drivers, 2 dispatchers), maintenance and insurance for vans. This budget is funded by Beaumont Health, SMART municipal and community credit funds, and rider donations. The center received one 2015 Champion 23' buses with lift/wheelchair equipped replacement vehicle and one 2015 Champion van with lift/wheelchair equipped replacement vehicle. Still waiting from 2016 for replacement of two other vehicles.

The ROOTS fund (295.759 cost center) records ad hoc grant receipts and related expenditures.

GOALS

1. Continue exploring opportunities to partner with other senior centers to increase opportunities and maintain the current ones.
2. Continue partnering with the private sector, schools and neighboring communities.

OBJECTIVES

GOALS**OBJECTIVES**

3. Investigate innovative ways to fund and reduce the cost of programs.
4. Continue meeting the transportation needs of the senior citizens.
5. Continue providing good customer service.

Performance Indicators / Outcome Measures

	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Actual 2017</u>	<u>Projected 2018</u>	<u>Projected 2019</u>	<u>Projected 2020</u>
GOAL¹ Supportive Services						
Congregate Meals Served	10,839	10,048	11,139	11,300	11,300	11,300
Homebound Meals Served *	0	0	0	0	0	0
Information & Referral	74,700	74,700	74,700	74,700	74,700	74,700
ROSES Jobs	2,066	2,168	2,206	3,900	3,900	3,900
Senior Bus Rides	12,863	12,580	12,079	14,200	14,200	14,200
Frail Elderly Escort	0	0	0	10	10	10
Outreach Assessments	18	44	38	20	20	20
GOAL³ Mahany/Meininger Center Programs						
Programs Offered	91	102	108	95	95	95
Sessions Held	2,736	2,626	2,872	3,100	3,100	3,100
Participants	58,400	58,322	59,734	59,750	59,750	59,750
GOAL³ Salter Community Center Programs						
Programs Offered	11	11	11	15	15	15
Sessions Held	1,099	1,116	1,157	1,143	1,143	1,143
Participants	12,292	15,150	13,310	13,325	13,325	13,325
GOAL³ Combined Senior Programs						
Programs Offered	102	113	119	110	110	110
Sessions Held	3,835	3,742	4,029	4,243	4,243	4,243
Participants	70,692	73,472	73,044	73,075	73,075	73,075

Note: Senior center performance indicators are on a calendar year as opposed to fiscal year.

*Please note that as of September 30, 2012 Oakland County Mobile Meals disbanded homebound meals. Emerald Foods now provides all volunteers and deliveries through the Troy Community Center.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Building security services are decreasing \$5,400 due to one-time upgrades to the security system performed in fiscal year 2017-18. Miscellaneous building repairs is increasing \$7,500 to do touch-up painting and performing strip/wax of the floors as it is no longer included in the janitorial services contract. The forecast demonstrates continued use of fund balance and continued transfer from the general fund ultimately increasing to \$450,000 in the last year of the forecast.

The following improvement project is budgeted for the senior center for FY2018-19:

- Replacement Window Shades/Blinds \$7,000

FY2018-19 Total: **\$7,000**

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	630,681	535,641	452,601	358,531	254,071	136,871
Revenues and transfers from other funds	783,820	774,740	774,740	774,740	774,740	874,740
Expenditures and transfers to other funds	878,860	857,780	868,810	879,200	891,940	902,990
Net Change in Fund Balance	(95,040)	(83,040)	(94,070)	(104,460)	(117,200)	(28,250)
Ending Fund Balance	535,641	452,601	358,531	254,071	136,871	108,621

Revenues

296.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	178,160	226,600	4,690	30,000	350,000	789,450
2015-2016 Actual	0	118,150	238,590	5,910	30,000	350,000	742,650
2016-2017 Actual	0	157,120	256,730	6,470	30,000	397,870	848,190
2017-2018 Original Budget	0	153,240	235,000	5,000	30,000	350,000	773,240
2017-2018 Adjusted Budget (Dec)	0	153,240	235,000	5,000	30,000	350,000	773,240
2017-2018 Six Month Actual	0	83,720	114,720	4,680	30,000	175,000	408,120
2017-2018 Estimated Year End	0	153,240	242,500	8,080	30,000	350,000	783,820
2018-2019 Dept Request	0	153,240	236,500	5,000	30,000	350,000	774,740
2018-2019 Manager's Budget	0	153,240	236,500	5,000	30,000	350,000	774,740
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	153,240	236,500	5,000	30,000	350,000	774,740
2020-2021 Projected Budget	0	153,240	236,500	5,000	30,000	350,000	774,740
2021-2022 Projected Budget	0	153,240	236,500	5,000	30,000	350,000	774,740
2022-2023 Projected Budget	0	153,240	236,500	5,000	30,000	450,000	874,740

Expenditures

296.686 R.O.S.E.S.	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	8,780	0	0	0	0	8,780
2015-2016 Actual	12,910	0	0	0	0	12,910
2016-2017 Actual	14,970	0	0	0	0	14,970
2017-2018 Original Budget	16,140	0	0	0	0	16,140
2017-2018 Adjusted Budget (Dec)	16,140	0	0	0	0	16,140
2017-2018 Six Month Actual	3,840	0	0	0	0	3,840
2017-2018 Estimated Year End	16,140	0	0	0	0	16,140
2018-2019 Dept Request	15,940	0	0	0	0	15,940
2018-2019 Manager's Budget	15,940	0	0	0	0	15,940
2018-2019 Adopted Budget						
2019-2020 Projected Budget	16,310	0	0	0	0	16,310
2020-2021 Projected Budget	16,690	0	0	0	0	16,690
2021-2022 Projected Budget	17,080	0	0	0	0	17,080
2022-2023 Projected Budget	17,480	0	0	0	0	17,480

296.687 A.G.E. PROGRAM	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	11,970	260	0	470	0	12,700
2015-2016 Actual	11,930	160	0	0	0	12,090
2016-2017 Actual	11,740	910	0	0	0	12,650
2017-2018 Original Budget	13,820	1,000	0	500	0	15,320
2017-2018 Adjusted Budget (Dec)	13,820	1,000	0	500	0	15,320
2017-2018 Six Month Actual	5,360	0	0	0	0	5,360
2017-2018 Estimated Year End	13,820	1,000	0	500	0	15,320
2018-2019 Dept Request	13,800	1,000	0	500	0	15,300
2018-2019 Manager's Budget	13,800	1,000	0	500	0	15,300
2018-2019 Adopted Budget						
2019-2020 Projected Budget	14,120	1,000	0	500	0	15,620
2020-2021 Projected Budget	14,450	1,000	0	500	0	15,950
2021-2022 Projected Budget	14,790	1,000	0	500	0	16,290
2022-2023 Projected Budget	15,130	1,000	0	500	0	16,630

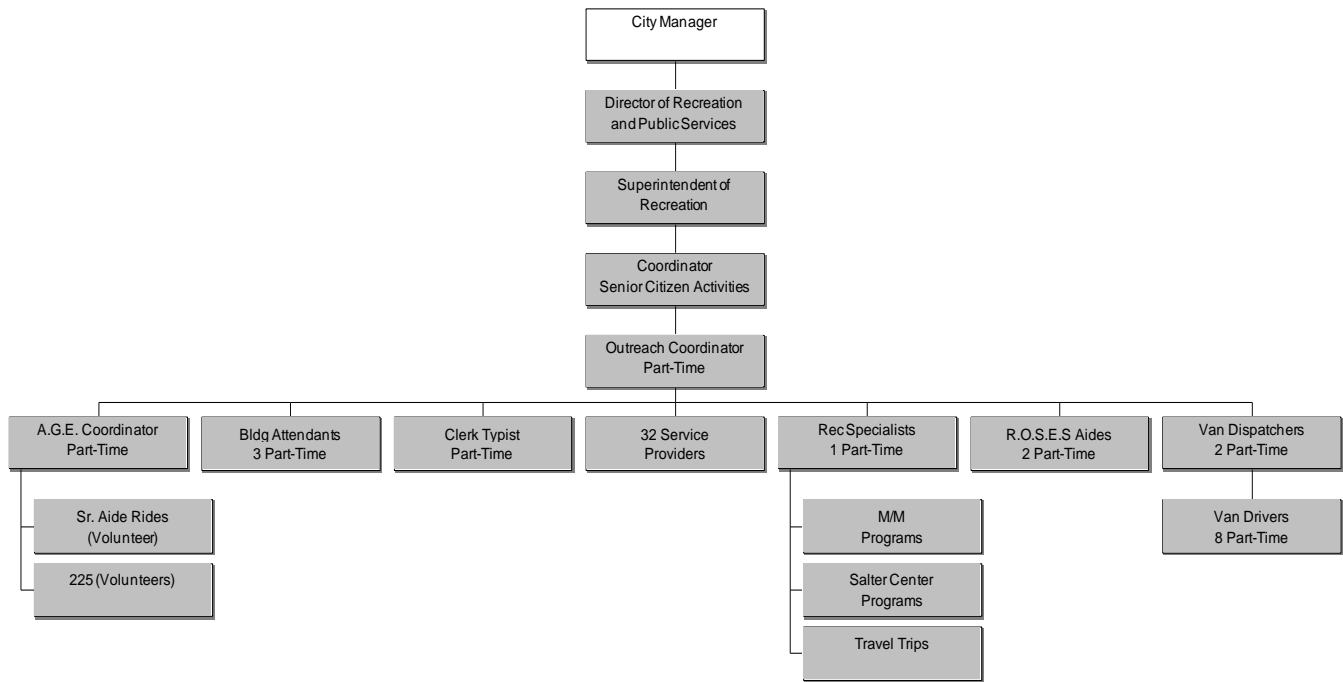
Senior Citizen Services Fund

296.688 SENIOR VAN	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	157,490	140	0	66,870	0	224,500
2015-2016 Actual	152,330	90	0	50,960	0	203,380
2016-2017 Actual	144,380	0	0	41,930	0	186,310
2017-2018 Original Budget	155,890	200	0	34,680	0	190,770
2017-2018 Adjusted Budget (Dec)	155,890	200	0	34,680	0	190,770
2017-2018 Six Month Actual	61,440	150	0	20,490	0	82,080
2017-2018 Estimated Year End	156,630	200	0	35,220	0	192,050
2018-2019 Dept Request	155,450	200	0	33,110	0	188,760
2018-2019 Manager's Budget	155,450	200	0	33,110	0	188,760
2018-2019 Adopted Budget						
2019-2020 Projected Budget	159,180	200	0	33,800	0	193,180
2020-2021 Projected Budget	163,010	200	0	34,500	0	197,710
2021-2022 Projected Budget	166,940	200	0	35,230	0	202,370
2022-2023 Projected Budget	170,970	200	0	35,970	0	207,140

296.750 SENIOR BUILDING MAINTENANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	3,080	0	82,370	0	85,450
2015-2016 Actual	0	1,460	0	111,920	0	113,380
2016-2017 Actual	0	3,010	8,770	109,920	0	121,700
2017-2018 Original Budget	0	4,500	30,000	91,040	0	125,540
2017-2018 Adjusted Budget (Dec)	0	4,500	30,000	91,040	0	125,540
2017-2018 Six Month Actual	0	1,230	850	36,420	0	38,500
2017-2018 Estimated Year End	0	4,500	22,300	102,160	0	128,960
2018-2019 Dept Request	0	4,500	7,000	99,270	0	110,770
2018-2019 Manager's Budget	0	4,500	7,000	99,270	0	110,770
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	4,500	7,000	99,270	0	110,770
2020-2021 Projected Budget	0	4,500	7,000	99,270	0	110,770
2021-2022 Projected Budget	0	4,500	7,000	99,270	0	110,770
2022-2023 Projected Budget	0	4,500	7,000	99,270	0	110,770

296.759 SENIOR CENTER	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	190,730	2,090	0	236,160	0	428,980
2015-2016 Actual	190,150	5,630	0	241,930	0	437,710
2016-2017 Actual	182,290	8,020	0	262,580	0	452,890
2017-2018 Original Budget	196,650	10,500	0	262,060	56,310	525,520
2017-2018 Adjusted Budget (Dec)	196,650	10,500	0	262,060	56,310	525,520
2017-2018 Six Month Actual	88,420	3,730	0	148,120	41,960	282,230
2017-2018 Estimated Year End	196,780	11,230	0	262,070	56,310	526,390
2018-2019 Dept Request	193,450	10,500	0	265,960	57,100	527,010
2018-2019 Manager's Budget	193,450	10,500	0	265,960	57,100	527,010
2018-2019 Adopted Budget						
2019-2020 Projected Budget	197,030	10,500	0	268,300	57,100	532,930
2020-2021 Projected Budget	200,770	10,500	0	270,710	56,100	538,080
2021-2022 Projected Budget	204,640	10,500	0	273,190	57,100	545,430
2022-2023 Projected Budget	208,630	10,500	0	275,740	56,100	550,970

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Senior Center	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
Coordinator of Sr Citzn Actvty	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sr Citizen Program Technician	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-time Total	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	3.8	3.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	5.8	4.8	1.0	1.0	1.0	1.0	1.0	1.0	1.0

The mission of the animal shelter is to provide a safe haven for animals lost or given up by their owners; to reunite lost animals with their human companions; and to provide the best possible adoptions of available animals into the home best suited to their personalities.

The Royal Oak Animal Shelter is operated as a city service under management of the Royal Oak Police Department.

The shelter charges fees for its services including rent and spay/neutering costs. This covers some

of the cost of operation. Donations both direct and through the ROOTS foundation make up any difference.

The shelter pays for limited part-time help and trains volunteers to work with and care for all animals throughout their stay. The shelter uses its own internet website as an excellent way to seek situations for animals considered suitable for pets.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Dog pound fees and sales are increasing \$3,000 relative to the fiscal year 2017-18 projection as they were down compared to historical actuals but are expected to bounce back as fundraising is being made a priority. Donation revenue is decreasing \$5,000 due to the police golf outing revenue going to the animal shelter in fiscal year 2017-18 however not in the future.

Personnel costs are increasing \$20,000 to hire a manager to run the shelter. Animal medical services are increasing \$5,000 as vet services costs have been increasing each year. Animal spay/neutering costs are increasing \$5,000 relative to the fiscal year 2017-18 projection due to spending less than expected in fiscal year 2017-18 due to lower demand. Miscellaneous operating supplies are increasing \$1,000 relative to the fiscal year 2017-18 projection as the full budget wasn't needed in 2017-18. The projections for future years indicates continued use of fund balance and negative fund balances through 2022-23 and beyond.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	72,665	61,605	11,935	(37,735)	(87,405)	(137,075)
Revenues and transfers from other funds	88,520	77,500	77,500	77,500	77,500	77,500
Expenditures and transfers to other funds	99,580	127,170	127,170	127,170	127,170	127,170
Net Change in Fund Balance	(11,060)	(49,670)	(49,670)	(49,670)	(49,670)	(49,670)
Ending Fund Balance	61,605	11,935	(37,735)	(87,405)	(137,075)	(186,745)

Revenues

297.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	17,040	42,340	13,490	15,130	88,000
2015-2016 Actual	0	0	15,830	44,140	840	12,580	73,390
2016-2017 Actual	0	0	13,260	43,750	550	23,920	81,480
2017-2018 Original Budget	0	0	16,000	40,300	350	15,000	71,650
2017-2018 Adjusted Budget (Dec)	0	0	16,000	40,300	350	15,000	71,650
2017-2018 Six Month Actual	0	0	6,030	43,110	420	15,130	64,690
2017-2018 Estimated Year End	0	0	12,000	60,600	920	15,000	88,520
2018-2019 Dept Request	0	0	12,000	50,500	0	15,000	77,500
2018-2019 Manager's Budget	0	0	12,000	50,500	0	15,000	77,500
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	0	12,000	50,500	0	15,000	77,500
2020-2021 Projected Budget	0	0	12,000	50,500	0	15,000	77,500
2021-2022 Projected Budget	0	0	12,000	50,500	0	15,000	77,500
2022-2023 Projected Budget	0	0	12,000	50,500	0	15,000	77,500

Expenditures

297.430 ANIMAL SHELTER	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	45,830	2,210	680	45,270	0	93,990
2015-2016 Actual	41,080	2,680	0	45,310	0	89,070
2016-2017 Actual	39,610	2,120	0	42,650	0	84,380
2017-2018 Original Budget	47,960	5,000	0	51,320	0	104,280
2017-2018 Adjusted Budget (Dec)	47,960	5,000	0	51,320	0	104,280
2017-2018 Six Month Actual	19,500	1,040	0	17,870	0	38,410
2017-2018 Estimated Year End	47,810	4,150	0	47,620	0	99,580
2018-2019 Dept Request	69,550	5,000	0	52,620	0	127,170
2018-2019 Manager's Budget	69,550	5,000	0	52,620	0	127,170
2018-2019 Adopted Budget						
2019-2020 Projected Budget	69,550	5,000	0	52,620	0	127,170
2020-2021 Projected Budget	69,550	5,000	0	52,620	0	127,170
2021-2022 Projected Budget	69,550	5,000	0	52,620	0	127,170
2022-2023 Projected Budget	69,550	5,000	0	52,620	0	127,170

Cost Center Position Detail - Home Base

Full & Part-time Employees

Animal Protection Services					Fiscal Year					
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions	1.3	1.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Part-Time Total	0.0	0.0	1.3	1.3	0.0	0.0	0.0	0.0	0.0	

The police grants fund accounts for the receipt and disbursement of all police grants and forfeitures.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Revenues are down due to no longer participating in a DEA program and a one-time grant from the State of Michigan was received in fiscal year 2017-18.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	930,527	1,047,117	1,121,747	1,101,897	1,077,407	1,048,107
Revenues and transfers from other funds	308,490	269,000	179,000	179,000	179,000	179,000
Expenditures and transfers to other funds	191,900	194,370	198,850	203,490	208,300	213,300
Net Change in Fund Balance	116,590	74,630	(19,850)	(24,490)	(29,300)	(34,300)
Ending Fund Balance	1,047,117	1,121,747	1,101,897	1,077,407	1,048,107	1,013,807

Revenues

298.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	234,160	0	9,980	0	0	244,140
2015-2016 Actual	0	240,560	0	10,550	2,670	0	253,780
2016-2017 Actual	0	273,550	49,560	16,310	1,140	0	340,560
2017-2018 Original Budget	0	213,000	53,000	8,000	0	0	274,000
2017-2018 Adjusted Budget (Dec)	0	213,000	53,000	8,000	0	0	274,000
2017-2018 Six Month Actual	0	179,180	30,670	7,440	0	0	217,290
2017-2018 Estimated Year End	0	229,670	53,000	25,820	0	0	308,490
2018-2019 Dept Request	0	203,000	53,000	13,000	0	0	269,000
2018-2019 Manager's Budget	0	203,000	53,000	13,000	0	0	269,000
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	113,000	53,000	13,000	0	0	179,000
2020-2021 Projected Budget	0	113,000	53,000	13,000	0	0	179,000
2021-2022 Projected Budget	0	113,000	53,000	13,000	0	0	179,000
2022-2023 Projected Budget	0	113,000	53,000	13,000	0	0	179,000

Expenditures

298.301 POLICE GRANTS/RESTRICTED MONIES	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	53,420	5,040	0	61,290	0	119,750
2015-2016 Actual	66,010	11,950	15,490	49,110	0	142,560
2016-2017 Actual	89,250	5,630	30,850	187,180	0	312,910
2017-2018 Original Budget	136,180	0	0	99,030	0	235,210
2017-2018 Adjusted Budget (Dec)	136,180	0	0	99,030	0	235,210
2017-2018 Six Month Actual	68,710	920	0	28,010	0	97,640
2017-2018 Estimated Year End	136,860	1,200	0	53,840	0	191,900
2018-2019 Dept Request	135,230	0	0	59,140	0	194,370
2018-2019 Manager's Budget	135,230	0	0	59,140	0	194,370
2018-2019 Adopted Budget						
2019-2020 Projected Budget	139,710	0	0	59,140	0	198,850
2020-2021 Projected Budget	144,350	0	0	59,140	0	203,490
2021-2022 Projected Budget	149,160	0	0	59,140	0	208,300
2022-2023 Projected Budget	154,160	0	0	59,140	0	213,300

The miscellaneous grants fund accounts for city grants, receipts and disbursements (except for grants that are recorded in a fund that is already dedicated).

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

This budget includes \$227,000 for a rain garden project that is funded by a \$173,000 federal grant and a \$54,000 transfer in from the water and sewer fund for the city's matching portion. \$71,430 is being carried over from fiscal year 2017-18 for a generator as part of a FEMA grant.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	138,003	118,943	93,443	93,443	93,443	93,443
Revenues and transfers from other funds	89,480	274,000	0	0	0	0
Expenditures and transfers to other funds	108,540	299,500	0	0	0	0
Net Change in Fund Balance	(19,060)	(25,500)	0	0	0	0
Ending Fund Balance	118,943	93,443	93,443	93,443	93,443	93,443

Revenues

299.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	280	0	0	280
2015-2016 Actual	0	71,130	0	42,310	0	130,000	243,440
2016-2017 Actual	0	78,100	0	310	0	51,430	129,840
2017-2018 Original Budget	0	94,000	0	500	0	0	94,500
2017-2018 Adjusted Budget (Dec)	0	121,200	0	500	0	25,000	146,700
2017-2018 Six Month Actual	0	7,030	0	550	0	0	7,580
2017-2018 Estimated Year End	0	81,230	0	1,000	0	7,250	89,480
2018-2019 Dept Request	0	220,000	0	0	0	54,000	274,000
2018-2019 Manager's Budget	0	220,000	0	0	0	54,000	274,000
2018-2019 Adopted Budget							
2019-2020 Projected Budget	0	0	0	0	0	0	0
2020-2021 Projected Budget	0	0	0	0	0	0	0
2021-2022 Projected Budget	0	0	0	0	0	0	0
2022-2023 Projected Budget	0	0	0	0	0	0	0

Expenditures

299.301	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	0	0
2015-2016 Actual	0	0	0	0	0	0
2016-2017 Actual	650	0	0	9,630	0	10,280
2017-2018 Original Budget	72,050	0	0	20	0	72,070
2017-2018 Adjusted Budget (Dec)	160,800	0	0	20	0	160,820
2017-2018 Six Month Actual	0	0	0	20	0	20
2017-2018 Estimated Year End	89,260	0	0	19,280	0	108,540
2018-2019 Dept Request	72,500	0	0	227,000	0	299,500
2018-2019 Manager's Budget	72,500	0	0	227,000	0	299,500
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	0	0	0	0
2020-2021 Projected Budget	0	0	0	0	0	0
2021-2022 Projected Budget	0	0	0	0	0	0
2022-2023 Projected Budget	0	0	0	0	0	0

The mission of the Royal Oak Brownfield Redevelopment Authority (BRA) is to encourage the redevelopment of eligible “brownfield” properties by providing financial assistance for remediation of environmental contamination at such properties.

The Brownfield Redevelopment Act 381 of 1996, (as amended) provides for creative financing with economic and environmental benefit. The Act allows for a municipality to adopt plans, capture incremental local and school property taxes from redeveloped contaminated properties to pay for

the environmental clean-up costs associated with those properties.

The BRA meets on an as-needed basis to review applications for new brownfield plans. Once an application is received by the planning department, a meeting of the BRA is scheduled as soon as possible, pending publication of required public hearing notices required by state law. The BRA then meets to review each plan, and submits a recommendation to the city commission.

GOALS

- Encourage the redevelopment of blighted and contaminated property.
- Process applications for new brownfield plans and reimbursement requests for existing plans in a timely fashion.
- Work with the city treasurer and finance departments to ensure tax increment revenues for each brownfield plan are correctly accounted for and properly credited.
- Continue capture of tax increment revenues until each brownfield plan expires to create revolving loan fund.

OBJECTIVES

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	176,808	187,578	338,928	490,278	641,628	792,978
Revenues and transfers from other funds	359,420	340,270	340,270	340,270	340,270	340,270
Expenditures and transfers to other funds	348,650	188,920	188,920	188,920	188,920	188,920
Net Change in Fund Balance	10,770	151,350	151,350	151,350	151,350	151,350
Ending Fund Balance	187,578	338,928	490,278	641,628	792,978	944,328

Revenues

243.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	12,670	0	0	620	0	0	13,290
2015-2016 Actual	33,740	0	0	490	0	0	34,230
2016-2017 Actual	119,710	0	0	1,320	0	0	121,030
2017-2018 Original Budget	357,230	0	0	2,000	0	0	359,230
2017-2018 Adjusted Budget (Dec)	357,230	0	0	2,000	0	0	359,230
2017-2018 Six Month Actual	319,600	0	0	1,890	0	0	321,490
2017-2018 Estimated Year End	355,420	0	0	4,000	0	0	359,420
2018-2019 Dept Request	338,270	0	0	2,000	0	0	340,270
2018-2019 Manager's Budget	338,270	0	0	2,000	0	0	340,270
2018-2019 Adopted Budget							
2019-2020 Projected Budget	338,270	0	0	2,000	0	0	340,270
2020-2021 Projected Budget	338,270	0	0	2,000	0	0	340,270
2021-2022 Projected Budget	338,270	0	0	2,000	0	0	340,270
2022-2023 Projected Budget	338,270	0	0	2,000	0	0	340,270

Expenditures

243.729 BROWNFIELD REDEVELOPMENT AUTH	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	0	0
2015-2016 Actual	0	0	0	26,750	0	26,750
2016-2017 Actual	0	0	0	36,750	0	36,750
2017-2018 Original Budget	0	0	0	359,230	0	359,230
2017-2018 Adjusted Budget (Dec)	0	0	0	359,230	0	359,230
2017-2018 Six Month Actual	0	0	0	2,700	0	2,700
2017-2018 Estimated Year End	0	0	0	348,650	0	348,650
2018-2019 Dept Request	0	0	0	188,920	0	188,920
2018-2019 Manager's Budget	0	0	0	188,920	0	188,920
2018-2019 Adopted Budget						
2019-2020 Projected Budget	0	0	0	188,920	0	188,920
2020-2021 Projected Budget	0	0	0	188,920	0	188,920
2021-2022 Projected Budget	0	0	0	188,920	0	188,920
2022-2023 Projected Budget	0	0	0	188,920	0	188,920

The DDA's mission is to promote economic growth and revitalization in downtown Royal Oak. The DDA will accomplish this mission by (1) improving and maintaining a solid and user-friendly infrastructure; (2) marketing downtown Royal Oak to consumers and businesses and; (3) encouraging preservation of Royal Oak's downtown. By fulfilling its mission, the DDA will enhance the viability of not only the downtown, but the entire City of Royal Oak.

The authority is authorized by the city to impose an ad valorem tax on all taxable property in the downtown district for the purposes provided by Act 197 of 1975. The tax cannot exceed two mills on the value of taxable property in the downtown district. The levy is proposed at 1.6146 mills, its authorized Headlee maximum.

Tax incremental financing (TIF) allows an authority like the DDA, to "capture" incremental tax revenues that result from growth in the district.

The City of Royal Oak Downtown Development Authority is under the supervision and control of a board consisting of the city manager and eight or 10 members as determined by the city commission. Members are appointed by the city manager, subject to approval by the city commission.

The authorities goals are to pay into the debt retirement fund, for all outstanding series of

bonds issued pursuant to the plan; establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan; to provide the initial stage and second stage public improvements costs that are not financed from the proceeds of bonds; pay administrative and operating costs of the DDA; to acquire property, clear land, make preliminary plans, and improvements necessary for the development of the development area.

The development plan, created by the downtown development authority, prioritizes needed physical improvements like façade improvements, buildings, parking lots and decks, streetscapes, and infrastructure.

Additionally, marketing themes have been developed to enhance the renewed physical appearance. These include advertising, signage and banners, street lighting, tree and floral arrangements. This fund provides extra police officers for the district to enhance existing public safety efforts.

Additional funding for improvements can come from the block grant program, and other state and federal programs.

GOALS

1. Downtown safety goal: To protect the residents, businesses and visitors of downtown Royal Oak.
2. Downtown promotion goal: To promote downtown Royal Oak as a premier destination for shopping, dining, entertainment, living and working.
3. Downtown infrastructure goal: To provide a downtown that is clean and well maintained.
4. Downtown development goal: To encourage development in downtown through programs and TIF reimbursement.

OBJECTIVES

- Develop a downtown plan which enumerates our collective vision for Downtown Royal Oak and addresses business development, liquor license policy, special events, land use, office space, hotels and downtown parks.^{GOAL1}
- Continue the funding of three downtown police officers.^{GOAL1}
- Expand the marketing of downtown. Prepare and distribute a "request for proposals, RFP" in order to hire a company that would prepare a public relations/marketing plan for the downtown.^{GOAL2}

GOALS

5. Downtown parking goal: To provide adequate and safe parking for downtown residents, employees and visitors.
6. Downtown public goal: To keep the public informed of the DDA's activities.

OBJECTIVES

- Create event management strategy. Prepare and distribute a “request for proposals, RFP” in order to hire a company that would develop and coordinate the annual Spooktacular and Holiday events.^{GOAL2}
- Update the website. Prepare and distribute a “request for proposals, RFP” in order to hire firm that will complete update.^{GOAL2}
- Support and encourage downtown events that measurably contribute to the improvement of business through both financial commitments and direct participation. Establish a formal process to evaluate requests for funds and outcomes.^{GOAL1}
- Expand marketing efforts of the façade improvement program to downtown property owners and businesses.^{GOAL1}
- Continue to provide downtown maintenance/enhancement services.^{GOAL3}
- Create downtown city park. Provide financial support for Royal Oak Civic Center proposed park.^{GOAL2}
- Improve/enhance 696/Main St. appearance.^{GOAL3}
- Work with the library to enhance the north entrance from 11 Mile Road.^{GOAL3}
- Continue to complete streetscape improvements and repairs. Create an improvement program for public alleys in the downtown.^{GOAL3}
- Investigate and improve streetscape design elements and components, including light fixtures, tree grates and other technology improvements.^{GOAL2}
- Complete implementation of wayfinding program.^{GOAL2}
- Fund the purchase and installation of holiday lights downtown.^{GOAL2}
- Identify and improve targeted business base.^{GOAL4}

GOALS

OBJECTIVES

- Identify ways to improve customer base; such as “cohesive business hours”.^{GOAL4}
 - Reimburse TIF revenue to approved development projects.^{GOAL4}
 - Continue to provide funding to cover the 2nd Street parking structure(s) annual debt service.^{GOAL5}
 - Evaluate parking supply versus demand to determine if all areas of downtown are adequately served by convenient/sufficient parking.^{GOAL5}
 - Investigate and monitor technology enhancements that could improve the downtown parking system.^{GOAL5}
 - Purchase revenue producing property.^{GOAL4}
 - Hold monthly DDA board meetings.^{GOAL6}
 - Continue to communicate with the stakeholders of the downtown.^{GOAL6}
 - Continue to support temporary street closings for special events downtown.^{GOAL2}
-

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Revenues decrease significantly due to one-time proceeds from the 696 property sale in fiscal year 2017-18.

Personnel costs are decreasing due to heavy snowfall and electrical work in fiscal year 2017-18 requiring more DPS snow removal in the downtown area than usual. Contracted legal services are decreasing \$10,000 due to the ROCC project and 696 development project requiring more legal counsel than usual in fiscal year 2017-18. Main street committee design expenses are increasing \$100,000 due to there being no façade activity in fiscal year 2017-18. Main street committee promotion expenses are decreasing \$20,000 due to the DDA allocating less funding to promotions/events. Miscellaneous expenditures are decreasing \$120,000 due to a one-time payment for a sidewalk project in fiscal year 2017-18. Beginning fiscal year 2018-19, \$737,000 is being transferred to the general fund toward the estimated central park portion of the ROCC debt payment. \$540,000 annually continues to be transferred out to fund extra police services in the downtown. The transfer to the auto parking fund is decreasing to \$580,790 as the DDA will no longer pay 50% of the South Lafayette structure debt. The estimated future years shows the fund balance increasing significantly.

Budget Summary

DDA Development Fund

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	2,049,823	5,255,263	5,369,843	5,515,943	5,893,863	6,505,753
Revenues and transfers from other funds	6,060,930	3,570,000	3,604,500	3,839,350	4,076,540	4,116,110
Expenditures and transfers to other funds	2,855,490	3,455,420	3,458,400	3,461,430	3,464,650	3,467,980
Net Change in Fund Balance	3,205,440	114,580	146,100	377,920	611,890	648,130
Ending Fund Balance	5,255,263	5,369,843	5,515,943	5,893,863	6,505,753	7,153,883

Development Revenues

247.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	3,145,080	0	0	47,890	8,530	102,380	3,303,880
2015-2016 Actual	3,191,760	0	0	44,980	21,310	100,000	3,358,050
2016-2017 Actual	3,341,500	0	0	38,170	94,000	178,300	3,651,970
2017-2018 Original Budget	3,405,000	0	0	20,000	0	100,000	3,525,000
2017-2018 Adjusted Budget (Dec)	3,405,000	0	0	20,000	0	100,000	3,525,000
2017-2018 Six Month Actual	2,290,980	0	0	14,250	4,430	0	2,309,660
2017-2018 Estimated Year End	3,384,000	0	0	22,500	2,554,430	100,000	6,060,930
2018-2019 Dept Request	3,450,000	0	0	20,000	0	100,000	3,570,000
2018-2019 Manager's Budget	3,450,000	0	0	20,000	0	100,000	3,570,000
2018-2019 Adopted Budget							
2019-2020 Projected Budget	3,484,500	0	0	20,000	0	100,000	3,604,500
2020-2021 Projected Budget	3,719,350	0	0	20,000	0	100,000	3,839,350
2021-2022 Projected Budget	3,956,540	0	0	20,000	0	100,000	4,076,540
2022-2023 Projected Budget	3,996,110	0	0	20,000	0	100,000	4,116,110

Development Expenditures

247.729 DDA/TIFA	Personnel Services	Supplies	Capital	Other	Transfers	Debt	Total
2014-2015 Actual	149,550	0	0	849,470	1,406,160	0	2,405,180
2015-2016 Actual	121,900	0	0	1,192,150	2,137,600	0	3,451,650
2016-2017 Actual	141,590	0	0	1,072,070	1,115,980	0	2,329,640
2017-2018 Original Budget	83,870	0	0	2,098,130	1,343,000	0	3,525,000
2017-2018 Adjusted Budget (Dec)	83,870	0	0	1,891,630	1,343,000	0	3,318,500
2017-2018 Six Month Actual	60,520	0	0	615,090	935,710	0	1,611,320
2017-2018 Estimated Year End	165,560	0	0	1,140,430	1,343,000	0	2,648,990
2018-2019 Dept Request	110,130	0	0	1,487,440	1,857,790	0	3,455,360
2018-2019 Manager's Budget	110,130	0	0	1,487,440	1,857,790	0	3,455,360
2018-2019 Adopted Budget							
2019-2020 Projected Budget	113,110	0	0	1,487,440	1,857,790	0	3,458,340
2020-2021 Projected Budget	116,200	0	0	1,487,440	1,857,790	0	3,461,430
2021-2022 Projected Budget	119,420	0	0	1,487,440	1,857,790	0	3,464,650
2022-2023 Projected Budget	122,750	0	0	1,487,440	1,857,790	0	3,467,980

Budget Summary

DDA Operating Fund

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	129,367	114,737	112,277	109,947	109,167	108,517
Revenues and transfers from other funds	53,100	55,500	56,880	59,730	61,210	61,210
Expenditures and transfers to other funds	67,730	57,960	59,210	60,510	61,860	63,260
Net Change in Fund Balance	(14,630)	(2,460)	(2,330)	(780)	(650)	(2,050)
Ending Fund Balance	114,737	112,277	109,947	109,167	108,517	106,467

DDA Operating Revenues

248.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	51,030	0	0	550	0	0	51,580
2015-2016 Actual	50,560	0	0	670	0	0	51,230
2016-2017 Actual	49,930	0	0	900	10	3,040	53,880
2017-2018 Original Budget	57,000	0	0	500	0	0	57,500
2017-2018 Adjusted Budget (Dec)	57,000	0	0	500	0	0	57,500
2017-2018 Six Month Actual	39,250	0	0	640	0	0	39,890
2017-2018 Estimated Year End	52,000	0	0	1,100	0	0	53,100
2018-2019 Dept Request	55,000	0	0	500	0	0	55,500
2018-2019 Manager's Budget	55,000	0	0	500	0	0	55,500
2018-2019 Adopted Budget							
2019-2020 Projected Budget	56,380	0	0	500	0	0	56,880
2020-2021 Projected Budget	57,790	0	0	500	0	0	58,290
2021-2022 Projected Budget	59,230	0	0	500	0	0	59,730
2022-2023 Projected Budget	60,710	0	0	500	0	0	61,210

DDA Operating Expenditures

248.729 DDA/TIFA	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	26,950	4,830	0	6,640	0	38,420
2015-2016 Actual	30,290	210	0	8,410	0	38,910
2016-2017 Actual	31,430	1,620	0	4,730	0	37,780
2017-2018 Original Budget	38,840	2,500	0	14,250	0	55,590
2017-2018 Adjusted Budget (Dec)	38,840	2,500	0	14,250	0	55,590
2017-2018 Six Month Actual	8,670	2,640	0	11,240	0	22,550
2017-2018 Estimated Year End	38,840	3,900	0	24,990	0	67,730
2018-2019 Dept Request	40,720	2,500	0	14,740	0	57,960
2018-2019 Manager's Budget	40,720	2,500	0	14,740	0	57,960
2018-2019 Adopted Budget						
2019-2020 Projected Budget	41,970	2,500	0	14,740	0	59,210
2020-2021 Projected Budget	43,270	2,500	0	14,740	0	60,510
2021-2022 Projected Budget	44,620	2,500	0	14,740	0	61,860
2022-2023 Projected Budget	46,020	2,500	0	14,740	0	63,260

Cost Center Position Detail - Home Base

Full & Part-time Employees

DDA/TIFA		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		n/a	n/a	0.1	n/a	n/a	n/a	n/a	n/a	n/a
Part-time Total		0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0



DEBT SERVICE FUNDS

Debt service funds are funds established to finance and account for the payment of interest and principal on all tax supported debt, serial and term, including that payable for special assessments.

Description of Long Term Debt

General Obligation Debt Fund - 301

Court Building Debt Service – 303

ROCC Debt Service Fund - 350

Debt Service Fund – 360

Legal Debt Margin

Description of Long-Term Debt

As of May 1, 2018, the City of Royal Oak has 18 outstanding bonded debt issues and contracts totaling \$177.5 million. Michigan statute limits general obligation debt to ten percent (10%)((\$318,981,624) of state equalized value and a five percent (5%) limit for capital improvement bonds. Our exempt debt of \$43,567,775 leaves approximately \$137.4 million of additional bond debt that can be incurred. These bonds and contract terms are summarized as follows:

Primary Government

Building Authority – Public Act 31 of 1948 (First Extra Session)

Act 31 provides for an authority to issue bonds to build and equip various public buildings, which are then leased to the city. Proceeds from these leases are used to repay the bonds. The collection of lease payments, payment of interest and retirement of debt is reflected in the respective Debt Service or Proprietary fund.

On October 11, 2001, the City of Royal Oak Building Authority issued \$9,000,000 of Bonds, Series 2001A (Unlimited Tax General Obligation), pursuant to a special election on May 15, 2001. The proceeds were used to construct and equip a new fire station, and remodel and equip existing fire stations. These 20-year bonds have interest rates that range from 3.750 percent to 5.000 percent. The city was obligated to pay interest commencing March 1, 2002 and semiannually thereafter. The first principal payment was due September 1, 2002 and due annually September 1 through 2021. In August 2012, the city performed an advanced refunding of the Series 2001A, now Series 2012. This refunding created a net present value savings of \$614,000. The term of the payments did not change.

On June 2, 2005, the City of Royal Oak Building Authority issued \$3,700,000 of Bonds, Series 2005 (General Obligation Limited Tax). The proceeds were used to remodel, renovate, equip and furnish the city library building. These 18-year bonds have interest rates that range from 3.000 percent to 4.250 percent. Library fund revenue is used to pay the debt service. The city is obligated to pay interest commencing December 1, 2005 and semiannually thereafter. The first principal payment was due June 1, 2006 and due annually June 1 through 2023. In November 2014, the city performed an advanced refunding, issuing capital

improvement refunding bonds, series 2014 with a 2.3% interest rate. This refunding created a net present value savings of \$104,000. The term of the payments did not change.

Capital Improvement Bonds – Revised Municipal Finance Act, Public Act 34 of 2001, Part V

Act 34 permits the issuance of bonds for the purpose of paying the cost of capital improvements.

On March 15, 2006, the City of Royal Oak issued \$4,325,000 of Capital Improvement Bonds, Series 2006A (General Obligation Limited Tax) to finance capital improvements to the city's water and sewer systems and other items. The city used the net proceeds exclusively to finance improvements to the water and sewer system, which is responsible for all debt service payments. These 20-year bonds have interest rates ranging from 3.500 percent to 4.300 percent. The city is obligated to pay interest commencing November 1, 2006 and semiannually thereafter. The first principal payment was due May 1, 2007 and was due through May 1 2026. In March 2016, these bonds were refunded at 1.9% true interest cost providing a net present value savings of \$295,028. And now part of the Capital Improvement Refunding Bonds, Series 2016.

On April 26, 2006, the City of Royal Oak Building Authority issued \$11,100,000 of capital improvement refunding bonds, series 2006B (General Obligation Limited Tax), with interest rates that range from 4.000 percent to 4.375 %. The net proceeds were used to advance refund 1999 prior (44th District Court building) Bonds for the years 2010 through 2024 in the amount of \$5,475,000, and the 2001 prior (parking structure) bonds for the years 2012 through 2026 in the amount of \$8,185,000. The proceeds were used to purchase U.S. Certificates of Indebtedness – State and Local Government Securities (SLGS). Those securities were deposited into an irrevocable trust with an escrow agent and subsequently used to pay off the bonds, including call premiums on June 1, 2009 and May 1, 2011 respectively. Accordingly, the refunded bonds are no longer reported on the city's financial statements. The advance refunding reduced the total debt payments over the next 20 years by approximately \$310,090 which represents and economic gain of \$198,175. The

new bonds will bear interest payable commencing November 1, 2006 and semiannually thereafter. The first principal payment was due May 1, 2008 and was due annually May 1 through 2026. In March 2016, these bonds were refunded at 1.8% true interest cost, providing a net present value savings of \$871,950. And now part of the Capital Improvement Refunding Bonds, Series 2016.

On November 15, 2007, the City of Royal Oak issued \$2,645,000 of capital improvement bonds, series 2007A (General Obligation Limited Tax) to finance a vehicle purchase project. The city used approximately \$1,970,000 to acquire five fire trucks, \$500,000 for two ambulance rescue vehicles and \$175,000 for two dump truck bodies. These 12-year serial bonds have interest at 4.0 percent. The city is obligated to pay interest commencing May 1, 2008 and semiannually thereafter. The first principal payment was due October 1, 2008 and will continue to be due October 1 until 2019.

In September 1997, the City of Royal Oak and the Oakland County Drain Commission (currently Water Resources Commission) entered into an agreement whereby the city contracted to pay \$1,710,691 of Garfield drain refunding revenue bonds, series 1997, with interest rates that range from 5.000 percent to 5.125 percent. Repayment is made from net revenues of the water and sewer fund. These bonds bear interest payable commencing April 1, 1998 and semiannually thereafter. The first principal payment was due October 1, 1998 and due annually October 1 through 2017.

On December 11, 2008, the City of Royal Oak sold \$11,825,000 of capital improvement bonds, series 2008 (General Obligation Limited Tax) with interest rates that range from 4.000% to 6.250%. The bonds finance projects in three funds: auto parking \$7,250,000 (\$5,481,000 to purchase & develop the 600-700 S. Main Street property and to improve other decks and lots, plus \$1,550,000 to acquire the 225 S. Troy Street property); water and sewer \$3,270,000 for infrastructure improvements; and motor pool \$1,305,000 (\$650,000 to purchase vehicles and \$620,000 to repave the DPS yard); plus related costs. These bonds bear interest payable commencing May 1, 2009 and semiannually thereafter. The first principal payment is due annually October 1, 2009 through 2028. In March 2016, these bonds were advance refunded at a true interest cost of 2.32% providing a net present value savings of \$1,086,758. And

now a part of the Capital Improvement Refunding Bonds, Series 2016.

On January 31, 2017 the City of Royal Oak sold \$106,040,000 of Taxable Limited Tax General Obligation Bonds, Series 2017-A (OPEB). The sale closed on February 21, 2017. The bond proceeds were used to fund the entire unfunded actuarial accrued liability of the city's defined benefit retiree healthcare plan as of June 30, 2016. The term of the bonds is 21 years with the last maturity due on October 1, 2037. The bonds bear interest rates between 1.163 percent to 4.524 percent, with a true interest rate of 4.082 percent. The city is obligated to pay interest commencing on October 1, 2017 and semiannually thereafter. The first principal payment is due on October 1, 2017. It is intended that numerous funds will contribute toward the debt service payments based upon the fund in which the legacy cost was incurred.

On January 31, 2017 the City of Royal Oak sold \$20,570,000 of Taxable Limited Tax General Obligation Bonds, Series 2017-A (pension). The sale closed on February 21, 2017. The bond proceeds were used to fund the entire general employees' unfunded actuarial accrued liability of the city's defined benefit pension plan as of June 30, 2016. The term of the bonds is 21 years with the last maturity due on October 1, 2037. The bonds bear interest rates between 1.163 percent to 4.524 percent, with a true interest rate of 4.082 percent. The city is obligated to pay interest commencing on October 1, 2017 and semiannually thereafter. The first principal payment is due on October 1, 2017. It is intended that numerous funds will contribute toward the debt service payments based upon the fund in which the legacy cost was incurred.

On September 12, 2017, the City of Royal Oak sold \$8,500,000 of Tax-exempt General Obligation Limited Tax Bonds, Series 2017. The bond proceeds were used to fund capital improvements to streets within the city. The term of the bonds is 6.5 years with the last maturity due on April 1, 2024. The bonds bear an interest rate of 2.10%.

In May 2018, the City of Royal Oak plans to issue \$31,310,000 of General Obligation tax limited bonds, Series 2018. The bond proceeds will be used to construct a new city hall, police

headquarters, and develop a central park. The term of the bond will be 25 years.

Michigan Municipal Bond Authority Bonds – Public Act 227 of 1985

The MMBA has a variety of financing tools including the broad authority to purchase municipal notes or bonds and bundle them for resale. Among those tools, the MMBA and Michigan Department of Environmental Quality (MDEQ) jointly administer State revolving fund (SRF) and drinking water revolving fund (DWRF) low interest loan programs. The following bonds are paid from net revenues of the Water and Sewer fund.

On September 29, 1998, the City of Royal Oak and the Michigan Municipal Bond Authority entered into an agreement whereby the city of Royal Oak would issue revenue bonds, and the Michigan Municipal Bond Authority would purchase, up to \$15,800,000 of North Arm Relief Drain Bonds, Series 1998A (General Obligation Limited Tax). The project built enclosed pipes, expanding and improving the North Relief Arm of the Twelve Towns Drainage District, to abate flooding primarily affecting the City of Royal Oak, plus seven other communities and highways therein, controlled by the State of Michigan and Oakland County. The State and County paid cash up front. Based on the interlocal agreement between the City of Royal Oak (the city) and the seven other communities, the city pledges its net water and sewer revenue and pays approximately 49% of the debt service. The city bills approximately 51% to the other communities and collects their payments to pay the debt service. The city is obligated if payments received on contracts with benefiting municipalities are insufficient to meet principal and interest requirements of this debt, when due. The city is obligated to pay interest at 2.25 percent commencing on April 1, 1999 and semiannually thereafter. The first principal payment was due October 1, 2001 and will continue to be due October 1 through 2020.

Since 2000, the Oakland County Drain Commission, predominantly with the MMBA, has initiated multiple financings for the George W. Kuhn Drainage District (GWKDD) to abate combined sewer overflows from its communities, which includes the City of Royal Oak. The whole retention/treatment facility was estimated to cost \$144 million in 2001. Construction was staged in several contracts. MMBA borrowing draw-downs occur over months or years during construction. The principal payback period is 20 years. The

various communities share in GWKDD debt based on the percentage of their contract flow capacity that is about 29% for the city. The following eight paragraphs discuss the city's GWKDD contract debt obligations.

On September 30, 2000, the city's share of GWKDD bonds, series A, was issued for \$5,176,386 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2001 and semiannually thereafter. The first principal payment was due April 1, 2003 and will continue to be due April 1 until 2022.

On September 28, 2001, the city's share of GWKDD bonds, series C, was issued for \$23,797,479 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2002 and semiannually thereafter. The first principal payment was due April 1, 2005 and will continue to be due April 1 until 2024.

On December 20, 2001, the city's share of GWKDD bonds, series D, was issued for up to \$3,170,000 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2002 and semiannually thereafter. The first principal payment was due April 1, 2005 and will continue to be due April 1 until 2024.

On January 2, 2002, the city's share of GWKDD bonds, series E, was issued originally for \$2,857,431 bearing market interest rates from 4.00 percent to 5.25 percent. The city is obligated to pay interest commencing April 1, 2001 and semiannually thereafter. The first principal payment was due April 1, 2002 and originally continued to be due April 1 until 2024. On August 1, 2007, bonds maturing 2012 through 2024 were advanced refunded and no longer are shown as debt. Remaining unrefunded bonds were due through April 1, 2012.

On September 22, 2005, the city's share of GWKDD bonds, series 2005 (F), was issued for \$469,002 to the MMBA bearing interest at 1.625 percent. To date, \$390,953 has been drawn as the city's share. The city is obligated to pay interest commencing October 1, 2006 and semiannually thereafter. The first principal payment was due April 1, 2007 and will continue to be due April 1 until 2026.

Debt Service Funds – Description of Long Term Debt

On August 1, 2007, the city's share of GWKDD Drain (partial B & E) refunding bonds, series 2007 (R), was issued for \$3,607,258, bearing market interest rates from 4.250 percent to 4.375 percent. The refunding bonds advance refunded part of series B and E bonds above. The city is obligated to pay interest commencing October 1, 2007 and semiannually thereafter. The first principal payment was due April 1, 2008 and will continue to be due April 1 until 2024. The city realized a net savings in cash flow of \$176,280 over the life of the bonds for a net economic gain (present value savings) of \$117,311. In February 2016, drain refunding bonds were reissued saving the city \$158,000.

On September 22, 2007, the city's share of GWKDD bonds, series 2007 (G) was issued for up to \$1,765,000 in total to the MMBA, bearing interest at 1.625 percent. Based on \$1,754,260 drawn down by February 9, 2009, the city's share was approximately \$515,923. The city is obligated to pay interest commencing April 1, 2009 and semiannually thereafter. The first principal payment was due April 1, 2009 and will continue to be due April 1 until 2026.

On September 22, 2008, the city's share of 5 GWKDD bonds, Series 2008 (H) was issued for up to \$2,260,136 in total to the MMBA, bearing interest at 2.500 percent. Based on \$4,057,179 drawn down by April 2, 2009, the city's share was approximately \$1,183,205. The city is obligated to

pay interest commencing April 1, 2009 and semiannually thereafter. The first principal payment was due April 1, 2010 and will continue to be due April 1 until 2029. This is expected to be the final funding for the GWKDD project.

Revenue Bonds – Public Act 94 of 1933

On December 22, 2016 the City of Royal Oak issued \$13,500,000 of Parking System Revenue Bonds, Series 2016. The bond proceeds were used to construct a new parking garage on the land of the former Second Street surface lot. The new structure will be attached to the existing Center Street parking garage. The term of the bonds is 15 years with the last maturity due on October 1, 2031. The bonds have a true interest rate of 3.45%. The city is obligated to pay interest commencing on April 1, 2017 and semiannually thereafter. The first principal payment is due on October 1, 2017. Parking fee revenue and monies from the Downtown Development Authority are pledged to pay the debt service.

In May 2018, the City of Royal Oak plans to issue \$16,250,000 of Parking System Revenue Bonds – Series 2018. The bond proceeds will be used to instruct a new parking garage on the land formerly known as the North Williams Street Lot. This garage will be known as the 11 Mile Road garage. Parking fee revenue will be pledged to pay the debt service. The term of the bond will be 15-20 years.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Fund Balance	91,486	40,986	27,386	27,786	28,186	28,586
Revenues and transfers from other funds	579,500	614,400	631,400	633,400	630,400	0
Expenditures and transfers to other funds	630,000	628,000	631,000	633,000	630,000	0
Net Change in Fund Balance	(50,500)	(13,600)	400	400	400	0
Ending Fund Balance	40,986	27,386	27,786	28,186	28,586	28,586

Revenues

301.000 REVENUE	Taxes	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	625,840	0	510	60	0	626,410
2015-2016 Actual	618,470	0	540	160	0	619,170
2016-2017 Actual	619,990	0	540	60	0	620,590
2017-2018 Original Budget	573,000	0	400	0	0	573,400
2017-2018 Adjusted Budget (Dec)	573,000	0	400	0	0	573,400
2017-2018 Six Month Actual	569,120	0	200	0	0	569,320
2017-2018 Estimated Year End	579,000	0	500	0	0	579,500
2018-2019 Dept Request	614,000	0	400	0	0	614,400
2018-2019 Manager's Budget	614,000	0	400	0	0	614,400
2018-2019 Approved Budget						
2019-2020 Projected Budget	631,000	0	400	0	0	631,400
2020-2021 Projected Budget	633,000	0	400	0	0	633,400
2021-2022 Projected Budget	630,000	0	400	0	0	630,400
2022-2023 Projected Budget	0	0	0	0	0	0

Expenditures

301.905 GENERAL OBLIGATION DEBT	Personnel Services	Capital	Other	Debt	Total
2014-2015 Actual	0	0	1,050	624,350	625,400
2015-2016 Actual	0	0	240	626,620	626,860
2016-2017 Actual	0	0	10	630,870	630,880
2017-2018 Original Budget	0	0	-	630,000	630,000
2017-2018 Adjusted Budget (Dec)	0	0	-	630,000	630,000
2017-2018 Six Month Actual	0	0	-	593,970	593,970
2017-2018 Estimated Year End	0	0	-	630,000	630,000
2018-2019 Dept Request	0	0	-	628,000	628,000
2018-2019 Manager's Budget	0	0	-	628,000	628,000
2018-2019 Approved Budget					
2019-2020 Projected Budget	0	0	-	631,000	631,000
2020-2021 Projected Budget	0	0	-	633,000	633,000
2021-2022 Projected Budget	0	0	-	630,000	630,000
2022-2023 Projected Budget	0	0	-	-	-

Budget Summary

	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	2022- 2023
Beginning Fund Balance	0	0	0	0	0	0
Revenues and transfers from other funds	463,500	459,000	465,000	465,000	465,000	460,000
Expenditures and transfers to other funds	463,500	459,000	465,000	465,000	465,000	460,000
Net Change in Fund Balance	0	0	0	0	0	0
Ending Fund Balance	0	0	0	0	0	0

Revenues

303.000 REVENUE	Taxes	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	88,150	88,150
2015-2016 Actual	0	0	0	517,490	517,490
2016-2017 Actual	0	0	0	463,460	463,460
2017-2018 Original Budget	0	0	0	463,500	463,500
2017-2018 Adjusted Budget (Dec)	0	0	0	463,500	463,500
2017-2018 Six Month Actual	0	0	0	425,900	425,900
2017-2018 Estimated Year End	0	0	0	463,500	463,500
2018-2019 Dept Request	0	0	0	459,000	459,000
2018-2019 Manager's Budget	0	0	0	459,000	459,000
2018-2019 Approved Budget					
2019-2020 Projected Budget	0	0	0	465,000	465,000
2020-2021 Projected Budget	0	0	0	465,000	465,000
2021-2022 Projected Budget	0	0	0	465,000	465,000
2022-2023 Projected Budget	0	0	0	460,000	460,000

Expenditures

303.905 COURT BUILDING DEBT SERVICE	Capital	Other	Debt	Total
2014-2015 Actual	-	-	511,530	511,530
2015-2016 Actual	-	-	575,900	575,900
2016-2017 Actual	-	-	463,470	463,470
2017-2018 Original Budget	-	-	463,500	463,500
2017-2018 Adjusted Budget (Dec)	-	-	463,500	463,500
2017-2018 Six Month Actual	-	-	425,900	425,900
2017-2018 Estimated Year End	-	-	463,500	463,500
2018-2019 Dept Request	-	-	459,000	459,000
2018-2019 Manager's Budget	-	-	459,000	459,000
2018-2019 Approved Budget				
2019-2020 Projected Budget	-	-	465,000	465,000
2020-2021 Projected Budget	-	-	465,000	465,000
2021-2022 Projected Budget	-	-	465,000	465,000
2022-2023 Projected Budget	-	-	460,000	460,000

Budget Summary

	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	2022- 2023
Beginning Fund Balance	0	0	0	0	0	0
Revenues and transfers from other funds	0	2,227,000	2,227,000	2,227,000	2,227,000	2,227,000
Expenditures and transfers to other funds	0	2,227,000	2,227,000	2,227,000	2,227,000	2,227,000
Net Change in Fund Balance	0	0	0	0	0	0
Ending Fund Balance	0	0	0	0	0	0

Revenues

350.000 REVENUE	Grants	Licenses, Charges and Fines	Interest and Contributions	Transfers	Total
2014-2015 Actual	0	0	0	0	0
2015-2016 Actual	0	0	0	0	0
2016-2017 Actual	0	0	0	0	0
2017-2018 Original Budget	0	0	0	0	0
2017-2018 Adjusted Budget (Dec)	0	0	0	0	0
2017-2018 Six Month Actual	0	0	0	0	0
2017-2018 Estimated Year End	0	0	0	0	0
2018-2019 Dept Request	0	0	0	2,227,000	2,227,000
2018-2019 Manager's Budget	0	0	0	2,227,000	2,227,000
2018-2019 Approved Budget					
2019-2020 Projected Budget	0	0	0	2,227,000	2,227,000
2020-2021 Projected Budget	0	0	0	2,227,000	2,227,000
2021-2022 Projected Budget	0	0	0	2,227,000	2,227,000
2022-2023 Projected Budget	0	0	0	2,227,000	2,227,000

Expenditures

350.905 DEBT SERVICE FUND	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	0	0
2015-2016 Actual	0	0	0	0	0	0
2016-2017 Actual	0	0	0	0	0	0
2017-2018 Original Budget	0	0	0	0	0	0
2017-2018 Adjusted Budget (Dec)	0	0	0	0	0	0
2017-2018 Six Month Actual	0	0	0	0	0	0
2017-2018 Estimated Year End	0	0	0	0	0	0
2018-2019 Dept Request	0	0	0	0	2,227,000	2,227,000
2018-2019 Manager's Budget	0	0	0	0	2,227,000	2,227,000
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	0	0	2,227,000	2,227,000
2020-2021 Projected Budget	0	0	0	0	2,227,000	2,227,000
2021-2022 Projected Budget	0	0	0	0	2,227,000	2,227,000
2022-2023 Projected Budget	0	0	0	0	2,227,000	2,227,000

City's Legal Debt Limit

Section 21 of Article VII of the Michigan Constitution authorizes the enactment of laws for the incorporation of cities and grants cities the power to levy taxes for public purposes, subject to statutory and constitutional limitation:

"The legislature shall provide by general laws for the incorporation of cities and villages. Such laws shall limit their range of ad valorem property taxation for municipal purposes, and restrict the powers of cities and villages to borrow money and contract debts. Each city and village is granted power to levy other taxes for public purposes, subject to limitations and prohibitions provided by the constitution or by law."

In accordance with the foregoing, the Home Rule City Act, Act 279, Michigan Public Acts, 1909, as amended, limits the amount of debt a home rule city may have outstanding at any time. Section 4-a of the Home Rule City Act provides, in pertinent part:

"Notwithstanding a charter provision to the contrary the net indebtedness incurred for all public purposes shall not exceed the greater of the following:

- (a) Ten percent of the assessed value of all the real and personal property in the city.
- (b) Fifteen percent of the assessed value of all the real and personal property in the city if that portion of the total amount of indebtedness incurred which exceeds 10% is or has been used solely for the construction or renovation of hospital facilities."

The provision of the Home Rule City Act cited above overrides the city's charter provision which limits city indebtedness to five percent of the "assessed valuation" (SEV) of all real and personal property in the city. Other limitations may apply, however, if specifically set forth in a statute authorizing a particular kind of borrowing.

Certain types of indebtedness are not subject to the 10% limitation of the Home Rule City Act, including: special assessment bonds, Michigan transportation fund bonds and revenue bonds, whether secured by a mortgage or not; bonds issued or contract obligations or assessment incurred to comply with an order of the Water Resources Commission of the State or a court of competent jurisdiction; obligations incurred for water supply, sewage, drainage, or refuse disposal or resource recovery projects necessary to protect the public health by abating pollution; and bonds issued for construction, improvements and replacement of a combined sewer overflow abatement facility. The resources of a sinking fund pledged for the retirement of outstanding bonds shall also be excluded in computing the debt limitation.

Pursuant to the statutory and constitutional debt provisions set forth above, the following table reflects the amount of additional debt the city may legally incur as of May 1, 2018.

	<u>10% SEV</u>	<u>5% SEV *</u>
2018 State Equalized Value (SEV)	3,189,816,240	3,819,816,240
Debt Limit	318,981,624	159,490,812
Debt Outstanding	177,559,775	177,559,775
Less: Exempt Obligations	43,567,775	166,302,775
Debt Subject to SEV Limitation	181,552,000	58,817,000
Additional Debt which can legally incurred	137,429,624	100,673,812
 Non-exempt debt outstanding as percentage of 2017 SEV	 5.69%	 1.84%

*Capital Improvement Bond Limit

CAPITAL IMPROVEMENT PLAN

Street Improvements

**Water & Sewer
Improvements**

Parks & Facilities

Information Technology

**Vehicles, Equipment,
and Others**

Capital Project Summary

What is a Capital Improvement Program?

Capital improvement programming is a long-range study of non-operating wants, needs, expected revenue and policy intentions. It is not a budget, but provides the necessary information for prudent budget recommendations. It compares various departments' needs over a period of years with anticipated revenue and puts them in a single focus for analytical purposes.

It is not a law such as an annual budget, but a collection of facts, trends, and suggestions available for the guidance of the budget people and the legislative body when budget time arrives. After it is adopted by the legislative body, it is a non-binding assertion of future intent only. For each year, however, when an appropriation for an annual capital budget is adopted as part of the regular budget, it represents that amount which will be used to implement a part of the capital improvement program in the coming year.

One-year or two-year budget studies do not always yield the best long-term policy. Accordingly they have added five, six or even ten-year capital improvement planning to their program, wherein the larger and longer-term picture can be anticipated and studied. This kind of capital improvement planning is nothing more than business common sense applied to public monies.

Typically, the function of studying long-term capital improvement trends and needs is done with a single agency or team of agencies. A commonly used team is that of budget, which best knows the details of the annual financial "facts of life," and Engineering which is the closest to the many problems of providing space and facilities for the ever changing departments and their equipment. In initiating such a program, a master list of needed improvements is first compiled by the various operating departments to cover, usually, the next six years. The list is studied in the light of the comprehensive plan, comparative needs, and replacement urgencies. The trend of tax rates, revenues from other sources, various financing possibilities, bond retirement and future available funds are considered during the budget process. Finally, a recommended priority listing emerges from combined study of these proposed revenues and expenditures.

By providing this planning and programming of capital improvements, all of the preliminary engineering or architectural design can be completed timely. Financing is planned well in advance and the effect on the annual budget is determined. This eliminates hasty decisions brought on by crash programs and provides for well designed, orderly growth or renewal of the city's capital. Good management requires greater physical and financial planning than ever before.

The Planning Commission adopted the capital improvement plan in March and many of the CIP projects are provided for in this section of the budget document. The CIP projects that the city manager is recommending to move forward are listed in the budget narrative for each of the funding source's. (ie. Water & Sewer Fund, Major Street Fund, Local Street Fund, Auto Parking Fund, IS, Motor Pool, etc). The street funds requested project list was drastically reduced due to the lack of funding.

WATER & SEWER IMPROVEMENTS

CAP1720	Royal Oak Roadway Rain Gardens
Project Length: 2018-2019 Estimated City Cost: \$55,000	City Share: 26% Funding Source: water and sewer fund / MDEQ grant
Impact on the Operating Budget: Will reduce inflow into the sewers.	
Description: Installation of rain gardens in the median of East Fourth Street between South Blair Avenue and South Connecticut Avenue.	

CAP1736	Green Infrastructure Study
Project Length: 2018-2019 Estimated City Cost: \$90,000	City Share: 100% Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Consultant to identify generic concepts for green infrastructure including infiltration basins, bio-swales and bio-retention cells; permeable pavements, etc. Identify specific locations, develop generic costs, and develop a plan for specific locations where concepts can be installed with estimated costs. Estimate effectiveness and compare to existing city requirements for detention.	

CAP1835	Woodland Avenue and Yorba Linda Boulevard Water Main Improvements
Project Length: 2018-2019 Estimated City Cost: \$938,000	City Share: 100% Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 8" water main along Woodland Avenue (Webster Road-Arden Place) and Yorba Linda Boulevard (Fairmont Road-Springer Road) in coordination with the 2018 millage road reconstruction project.	

CAP1908	14 Mile Road Water Main Improvements
Project Length: 2019-2020 Estimated City Cost: \$1,138,000	City Share: 100% Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 12" water main along 14 Mile Road (Woodward Avenue-Cooper Avenue) and (Mankato Avenue-CN Railroad).	

CAP1910	2019 Water Main Improvements
Project Length: 2019-2020	City Share: 100%
Estimated City Cost: \$3,216,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 8" water main along Rockingham Road (Woodward Avenue-Kensington Drive), Blair Avenue (Lincoln Avenue-6 th Street), Judson Avenue (Elmwood Avenue-Cummings Avenue), and Albert Avenue (Garden Avenue-Harvard Road). Replace existing water main with a new 12" water main on Harrison Avenue (Main Street-Batavia Avenue), Normandy Road (Woodward Avenue-Normandy Court) and Houstonia Avenue (Woodland Avenue-Evergreen Drive).	

CAP1935	Massoit Road and Nakota Road Water Main Improvements
Project Length: 2019	City Share: 100%
Estimated City Cost: \$406,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 8" water main along Massoit Road (Cresthill Avenue-Hillcrest Avenue) and Nakota Road (Elmhurst Avenue-Rosewold Avenue) in coordination with 2019 millage road reconstruction projects.	

CAP2010	2020 Water Main Improvements
Project Length: 2020-2021	City Share: 100%
Estimated City Cost: \$3,176,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 12" water main along 5 th Street (Knowles Street-Alexander Avenue). Replace existing water main with a new 8" water main along Farnum Avenue (Dorchester Avenue-Kenwood Avenue), 7 th Street (Troy Street-Knowles Street), Longfellow Avenue (Harrison Avenue-Lincoln Avenue), Altadena Avenue (Lincoln Avenue-6 th Street), Rembrandt Avenue (Lincoln Avenue-6 th Street), Vermont Avenue (Lincoln Avenue-5 th Street), 11 Mile Road (Dorchester Avenue-Kenwood Avenue), Forest Avenue (Symes Avenue-Dallas Avenue) and Helene Avenue (Barrett Avenue-Dallas Avenue).	

CAP2035	North Wilson Avenue Water Main Improvements
Project Length: 2020	City Share: 100%
Estimated City Cost: \$240,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 8" water main along North Wilson Avenue (East Farnum Avenue-Forest Avenue) in coordination with the 2020 millage road reconstruction projects.	

CAP2110	2021 Water Main Improvements
Project Length: 2021-2022	City Share: 100%
Estimated City Cost: \$3,450,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 8" water main for looping along DeVillen Avenue (Ferris Avenue-Campbell Road), Glendale (13 Mile Road-Englewood Avenue), Girard Avenue (Vermont Avenue-Lauren Court), Parkdale Avenue (Vermont Avenue-Wilson Avenue), Houstonia Avenue (Vermont Avenue-Campbell Road) and Vermont Avenue (12 Mile Road-Girard Avenue). Replace existing water main with a new 12" water main on Crooks Road (Webster Road-Royal Avenue).	

CAP2210	2022 Water Main Improvements
Project Length: 2022-2023	City Share: 100%
Estimated City Cost: \$3,776,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 8" water main along 6 th Street (Knowles Street-Alexander Avenue), Ardmore Avenue (12 Mile Road-Beaver Avenue), Clifton Avenue (12 Mile Road-Beaver Avenue), Sycamore Avenue (Maplewood Avenue-Bonnieview Drive), Vinsetta Boulevard (12 Mile Road-Crooks Road), Northwood Boulevard (Maplewood Avenue-Crooks Road), and Houstonia Avenue (Main Street-Beechwood Avenue).	

CAP2310	2023 Water Main Improvements
Project Length: 2023-2024	City Share: 100%
Estimated City Cost: \$3,550,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 8" water main along Forest Avenue (Main Street-Rosedale Avenue), Virginia Avenue (Pingree Boulevard-dead end), Alexander Avenue (13 Mile Road-Woodlawn Avenue), and Blair Avenue (13 Mile Road-Woodlawn Avenue). Replace existing water main with a new 12" water main along 14 Mile Road (Rochester Road-Campbell Road) and Stephenson Highway (4 th Street-Gardenia Avenue).	

CAP2410	2024 Water Main Improvements
Project Length: 2024	City Share: 100%
Estimated City Cost: \$1,903,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing water main with a new 8" water main along Rosewold Avenue (Normandy Road-Massoit Road), Nakota Road (Hillcrest Avenue-Crooks Road), Arden Place (Grandview Road-Sheridan Drive), Sheridan Drive (Arden Place-Grandview Road), Dukeshire Highway (Chester Road-Normandy Road), Ravena (Woodward Avenue-Chester Road), Yorba Linda Boulevard (Dukeshire Highway-Kensington Drive), York Road (Huntington Road-city limit), and Oakdale Street (4 th Street-11 Mile Road). Replace existing water main with new 12" water main on Woodward Avenue (Buckingham Road-Starr Road), Lexington Boulevard (Marais Avenue-Washington Avenue), and Chester Road (Hillside Drive-Dukeshire Highway).	

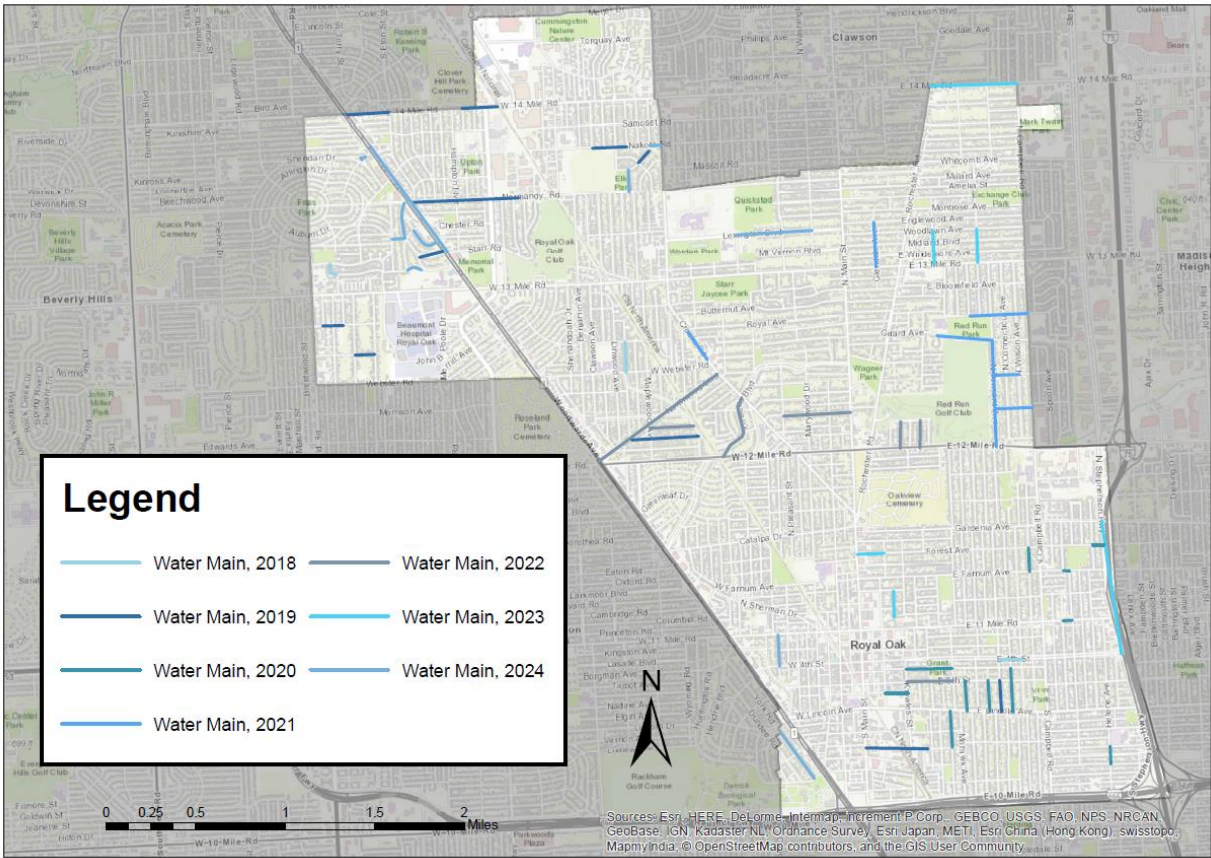
CAP2055-CAP2455	Water Main Replacement - Special Assessment Street Paving
Project Length: 2020-2024	City Share: 100%
Estimated City Cost: \$900,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Replace existing 6" water mains with new 8" water mains in coordination with special assessment roads.	

CAP1975-CAP2475	Sewer Televising and Root Control
Project Length: 2019-2024	City Share: 100%
Estimated City Cost: \$3,570,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs and general liability costs.	
Description: Sewer televising, cleaning, and invasive root removal in sewer lines city wide.	

CAP1985-CAP2485	Sewer Lining (City Wide)
Project Length: 2019-2024	City Share: 100%
Estimated City Cost: \$4,617,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Lining the sewer pipes to prevent sewer pipe failure or collapse.	

CAP1995-CAP2495	Spot Sewer Repairs (City Wide)
Project Length: 2019-2024	City Share: 100%
Estimated City Cost: \$3,424,000	Funding Source: water and sewer fund
Impact on the Operating Budget: Lower system maintenance costs.	
Description: Spot sewer repair of broken sanitary sewer of different sizes in various locations city wide.	

Capital Improvement Projects - Water & Sewer



SIDEWALK IMPROVEMENTS

CAP1801-CAP2401	Concrete Pavement and Prepaid Sidewalk Program Improvements
Project Length: 2018-2024 Estimated City Cost: \$3,255,000	City Share: 100% Funding Source: water and sewer fund / rates
Impact on the Operating Budget: Improve safety thus reducing liability expenses due to fewer trip and fall claims.	
Description: Concrete pavement repairs resulting from water main breaks/sewer failures, infrastructure improvements and/or residents' prepaid concrete improvements.	

CAP1902-CAP2402	Sidewalk Improvements Program
Project Length: 2019-2024 Estimated City Cost: \$5,000,000	City Share: 100% Funding Source: proposed sidewalk millage
Impact on the Operating Budget: Improve safety thus reducing liability expenses due to fewer trip and fall claims.	
Description: Repair of residents' deficient sidewalks city-wide using millage funds from a proposed sidewalk millage.	

LOCAL STREET IMPROVEMENTS

CAP1911	Diverter/Berm Removal Project
Project Length: 2019-2020	City Share: 100%
Estimated City Cost: \$300,000	Funding Source: local streets fund
Impact on the Operating Budget: Unknown	
Description: Anticipated removals of berm/diverters in section 22 based on city commission direction at Irving Avenue, Parent Avenue, Dondero, Batavia Avenue, Harrison Road, and Hudson Avenue.	

CAP1905-CAP2405	Road Millage Concrete Street Repairs
Project Length: 2019-2024	City Share: 100%
Estimated City Cost: \$7,696,000	Funding Source: local streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to local roads.	
Description: Removal and replacement of failed concrete slab sections within the local street network, as identified through the city's pavement management system and based upon field inspections. The slab replacement program will replace/patch deteriorated concrete on local streets.	

CAP1910-CAP2410	Road Work on Water / Sewer Projects
Project Length: 2019-2024	City Share: 100%
Estimated City Cost: \$2,840,000	Funding Source: local streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to local roads.	
Description: Road millage concrete street repairs in coordination with water main improvements.	

CAP1815-CAP2415	Road Millage Asphalt Street Resurfacing
Project Length: 2018-2024	City Share: 100%
Estimated City Cost: \$13,835,000	Funding Source: local streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to local roads.	
Description: Resurfacing of local roads with an asphalt top layer. This program is meant to address locations where the road is deteriorating.	

CAP1925-CAP2425	Road Millage and Major Street Joint Sealing
Project Length: 2019-2024 Estimated City Cost: \$610,000	City Share: 100% Funding Source: local streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to local roads. Description: Perform joint sealing maintenance on local streets for streets paved in previous year.	

CAP1835-CAP2135	Road Millage Road Reconstruction
Project Length: 2018-2021 Estimated City Cost: \$4,135,000	City Share: 100% Funding Source: local streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to local roads. Description: Removal and replacement of failed concrete slab sections within the local street network, as identified through the city's pavement managements system and based upon field inspections.	

CAP1955-CAP2455	Special Assessment Road Paving
Project Length: 2019-2024 Estimated City Cost: \$4,218,000	City Share: 58% Funding Source: local streets fund / special assessment
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to local roads. Description: Special assessment paving of unimproved local roads. The city is covering a portion of costs due to these roads going from gravel to pavement.	

MAJOR STREET IMPROVEMENTS

CAP1101	Surveying Services
Project Length: 2019-2024 Estimated City Cost: \$80,000	City Share: 100% Funding Source: major streets fund / local streets fund / water and sewer fund
Impact on the Operating Budget: Improve efficiency and access to information.	
Description: This program serves as a guide by providing surveying consulting services for preparing construction plans for street paving.	
CAP1401	Traffic Signal Upgrade Project
Project Length: 2019-2024 Estimated City Cost: \$1,200,000	City Share: 20% Funding Source: major streets fund / safety grant
Impact on the Operating Budget: Unknown	
Description: Improvement of city traffic signals along major road corridors.	
CAP1806	Campbell Road Resurfacing
Project Length: 2018-2019 Estimated City Cost: \$1,512,000	City Share: 56% Funding Source: major streets fund / federal funds
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Resurfacing and addition of bike lanes on Campbell Road from 10 Mile Road to 11 Mile Road.	
CAP1808	North Main Street Resurfacing
Project Length: 2018-2019 Estimated City Cost: \$412,000	City Share: 35% Funding Source: major streets fund / federal funds
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Resurfacing of North Main Street from 11 Mile Road to Gardenia Avenue.	

CAP1822	North-South Bicycle Route
Project Length: 2018-2019	City Share: 100%
Estimated City Cost: \$1,000,000	Funding Source: major streets fund
Impact on the Operating Budget: Will increase road maintenance for bike lane stripping over time.	
Description: Perform a road diet on Washington Avenue (Woodward Avenue-Euclid Avenue) and on Main Street (Euclid Avenue-Chippewa Avenue). Install on-street bike lanes, signage and install pedestrian crossing islands at various locations.	

CAP1908	14 Mile Road Resurfacing
Project Length: 2019-2020	City Share: 26%
Estimated City Cost: \$696,000	Funding Source: major streets fund / federal funds
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Resurfacing of 14 Mile Road from Greenfield Road to Crooks Road.	

CAP1999	I-75 Widening
Project Length: 2019-2021	City Share: 0.1%
Estimated City Cost: \$100,000	Funding Source: major streets fund / State of Michigan
Impact on the Operating Budget: Staffing costs for time dedicated to the MDOT project.	
Description: Staff personnel costs to review, manage, and meet minor repairs as part of the I-75 widening project by MDOT.	

CAP2007	Gardenia Avenue Reconstruction And Resurfacing
Project Length: 2020-2021	City Share: 100%
Estimated City Cost: \$1,215,000	Funding Source: major streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Reconstruction of Gardenia Avenue from Main Street to Altadena Avenue and resurfacing between Altadena Avenue and Stephenson Highway.	

CAP2008	Crooks Road Resurfacing
Project Length: 2020-2021 Estimated City Cost: \$716,000	City Share: 33% Funding Source: major streets fund / federal funds
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Resurfacing of Crooks Road from 13 Mile Road to 14 Mile Road.	

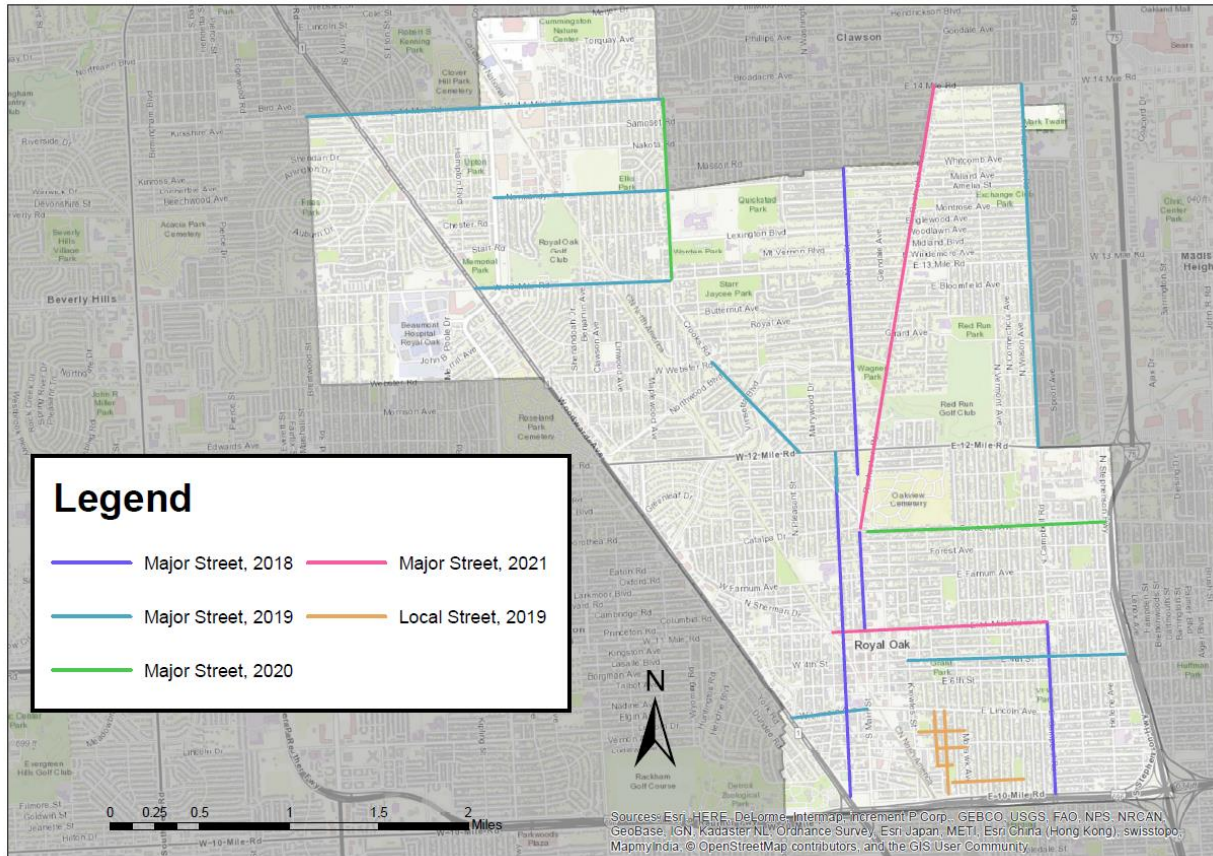
CAP2108	11 Mile Road Resurfacing
Project Length: 2021-2022 Estimated City Cost: \$2,400,000	City Share: 100% Funding Source: major streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Resurfacing of 11 Mile Road from CN Railroad to Campbell Road.	

CAP2112	Rochester Road Resurfacing
Project Length: 2021-2022 Estimated City Cost: \$1,140,000	City Share: 32% Funding Source: major streets fund / federal funds
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Resurfacing of Rochester Road from Main Street to 14 Mile Road.	

CAP1909-CAP2409	Major Road Improvements
Project Length: 2019-2024 Estimated City Cost: \$9,000,000	City Share: 100% Funding Source: major streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Major road resurfacing and/or reconstruction using the major road fund. Roads being considered include: Campbell Road curb replacements (12 Mile Road-14 Mile Road), Crooks Road resurfacing (12 Mile Road-Webster Road), Coolidge Highway concrete overlay (13 Mile Road-13 Mile Road), 4 th Street resurfacing (Knowles Street-Stephenson Highway), 13 Mile Road resurfacing (Woodward Avenue-Crooks Road), central business district street resurfacing, Lincoln Avenue resurfacing (Woodward Avenue-Main Street), Washington Avenue (Crooks Road-12 Mile Road), and Normandy Road resurfacing (Coolidge Highway-Crooks Road).	

CAP1825-CAP2525	Road Millage and Major Street Joint Sealing
Project Length: 2018-2025	City Share: 100%
Estimated City Cost: \$845,000	Funding Source: major streets fund
Impact on the Operating Budget: Will reduce road maintenance costs over time by making structural repairs to major roads.	
Description: Perform joint sealing maintenance on major streets paved in the previous year.	

Capital Improvement Projects - Major & Local Roads



PARKS AND FACILITIES

CAP1102	Parking Meters
Project Length: 2014-2024 Estimated City Cost: \$750,000	City Share: 100% Funding Source: parking fund / fees
Impact on the Operating Budget: Lower costs for coin collection and possibly increase costs for finance department.	
Description: Replacement of the city parking meters with improved meter technology, as they are aging and becoming obsolete. Technology will provide additional methods of payment which will provide improved service to the visitors.	

CAP1811	Motor Pool HVAC
Project Length: 2019 Estimated City Cost: \$25,000	City Share: 100% Funding Source: motor pool fund
Impact on the Operating Budget: Reduce labor and maintenance costs by \$250 and utility costs by \$500 annually.	
Description: Replacement of makeup air unit as part of maintenance of motor pool HVAC system.	

CAP1812	Center Street and Catalpa Drive Parking Lot Wall
Project Length: 2020 Estimated City Cost: \$45,000	City Share: 100% Funding Source: parking fund / fees
Impact on the Operating Budget: Unknown	
Description: Repair of a wall at the Center Street and Catalpa Drive parking lot.	

CAP1818	DPS Building Roof
Project Length: 2019-2021 Estimated City Cost: \$450,000	City Share: 100% Funding Source: motor pool fund / general fund
Impact on the Operating Budget: Reduce costs by \$2,000 annually due to lower maintenance costs and improved energy efficiency.	
Description: Replacement of the roof at the DPS building.	

CAP1824	Ice Arena Condenser Tower
Project Length: 2019	City Share: 100%
Estimated City Cost: \$70,000	Funding Source: ice arena fund / fees
Impact on the Operating Budget: New condenser towers use less energy and water. The new unit will also improve the overall operation of the ice plant (compressors and pumps) over the existing unit. Newer equipment also has fewer service calls for repairs than older equipment.	
Description: A replacement condenser tower. The condenser tower is an integral part of the refrigeration system in an ice arena. The existing unit is more than 20 years old and is at the end of its useful life.	

CAP1832	Amtrak Improvements
Project Length: 2019	City Share: 10%
Estimated City Cost: \$7,000	Funding Source: parking fund / fees / Amtrak
Impact on the Operating Budget: Unknown	
Description: Reconstruct handicap spaces in the Sherman Drive parking lot, install a crosswalk through the lot, and remove and replace detectable panels on platform.	

CAP1870	Williams Street Parking Structure
Project Length: 2018-2019	City Share: 100%
Estimated City Cost: \$18,160,000	Funding Source: parking fund / fees
Impact on the Operating Budget: Unknown	
Description: Construction of a city center public parking garage.	

CAPPD18	Police Department Building
Project Length: 2018-2020	City Share: 100%
Estimated City Cost: \$18,680,000	Funding Source: general fund
Impact on the Operating Budget: Unknown	
Description: Construction of a new police department building.	

CAPCH18	City Hall Building
Project Length: 2018-2020	City Share: 100%
Estimated City Cost: \$12,260,000	Funding Source: general fund
Impact on the Operating Budget: Unknown	
Description: Construction of a new city hall building.	

CAP1907	Animal Shelter Drive
Project Length: 2019	City Share: 100%
Estimated City Cost: \$45,000	Funding Source: unknown
Impact on the Operating Budget: Will reduce annual cold patch maintenance by \$250.	
Description: Pave the access drive to the animal shelter and DPS off of Edgar Avenue.	

CAP1917	Sherman Drive Parking Lot
Project Length: 2019	City Share: 100%
Estimated City Cost: \$125,000	Funding Source: parking fund / fees
Impact on the Operating Budget: Reduce maintenance costs by \$500 annually.	
Description: Repave the parking lot surface to reduce maintenance and liability.	

CAP1951	Center Street Garage Fire Line Renovation
Project Length: 2019	City Share: 100%
Estimated City Cost: \$20,000	Funding Source: parking fund / fees
Impact on the Operating Budget: Reduced need to rent equipment.	
Description: Replace portion of the fire line showing signs of deterioration.	

CAP1952	Farmers Market Concrete Restoration
Project Length: 2019	City Share: 100%
Estimated City Cost: \$25,000	Funding Source: farmers market fund
Impact on the Operating Budget: Reduced liability by preventing a future tripping hazard.	
Description: To repair the concrete window sills and slabs at the south end and east porch.	

CAP1953	Farmers Market Porch Enclosure/Awning
Project Length: 2019	City Share: 100%
Estimated City Cost: \$30,000	Funding Source: farmers market fund
Impact on the Operating Budget: Will provide additional rental space for vendors and rental clients. Will also help regain space lost due to new construction.	
Description: To build an enclosure around the west porch to help shield from inclement weather and replace battered sign awning off of 11 Mile Road.	

CAP1954	Farmers Market Outdoor Heating
Project Length: 2019	City Share: 100%
Estimated City Cost: \$18,000	Funding Source: farmers market fund
Impact on the Operating Budget: Will provide additional rental space for vendors and rental clients year round.	
Description: Add heating elements to outside porch areas to add vendor selling space.	

CAP1511	Normandy Oaks Park
Project Length: 2018-2020	City Share: 100%
Estimated City Cost: \$3,000,000	Funding Source: Normandy Oaks asset sale
Impact on the Operating Budget: \$55,000 annual operating cost possibly depending on design.	
Description: Redevelopment of Normandy Oaks Golf Course into a city park with a wide range of recreational activities. Details have not been determined.	

CAP1829	Royal Oak Golf Course Improvements
Project Length: 2019-2021	City Share: 100%
Estimated City Cost: \$420,000	Funding Source: Normandy Oaks asset sale
Impact on the Operating Budget: Unknown	
Description: Install a golf cart path, clubhouse deck, and repave the parking lot at the Royal Oak golf course.	

CAPCP18	Downtown Park Development
Project Length: 2018-2019	City Share: 100%
Estimated City Cost: \$10,940,000	Funding Source: unknown
Impact on the Operating Budget: Unknown	
Description: Construction of a new downtown park where the existing city hall and police buildings are located.	

CAP1846	Tree Planting
Project Length: 2019-2021	City Share: 100%
Estimated City Cost: \$450,000	Funding Source: CDBG fund
Impact on the Operating Budget: Tree pruning by DPS employees or contractors.	
Description: CDBG funded tree planted in qualified areas of the city.	

CAP1904	Upton Park Soccer Field Development
Project Length: 2019	City Share: 100%
Estimated City Cost: \$75,000	Funding Source: general fund
Impact on the Operating Budget: Unknown	
Description: Improve open grass area at Upton Park to develop a soccer field.	

CAP1906	Worden Park Lighting Replacement
Project Length: 2019	City Share: 100%
Estimated City Cost: \$250,000	Funding Source: general fund / CDBG fund
Impact on the Operating Budget: Reduction in number of light poles will reduce lighting costs and improve field use.	
Description: New lighting to replace the entire system, reducing the number of poles and increasing lighting efficiency.	

CAP1912	Westwood and Worden East Parks Play Equipment
Project Length: 2019	City Share: 100%
Estimated City Cost: \$90,000	Funding Source: CDBG fund
Impact on the Operating Budget: Annual maintenance will decrease by \$300 per structure.	
Description: Update play equipment at Westwood and Worden East Parks. Worden East Park is heavily used by the city preschool program.	

CAP1913	Mark Twain and Elks Parks Parking Pavement
Project Length: 2019	City Share: 100%
Estimated City Cost: \$130,000	Funding Source: general fund / CDBG fund
Impact on the Operating Budget: Reduce maintenance costs by \$500 annually.	
Description: Pave two unimproved parking lots.	

CAP1914	Wendland Park Play Equipment
Project Length: 2019 Estimated City Cost: \$45,000	City Share: 100% Funding Source: general fund / grant
Impact on the Operating Budget: Annual maintenance will decrease by \$300 per structure.	
Description: Renovation of Wendland Park play equipment.	

CAP1916	Kenwood / Fulton Play Equipment Upgrades
Project Length: 2019 Estimated City Cost: \$90,000	City Share: 100% Funding Source: general fund
Impact on the Operating Budget: Operating costs decrease \$600 annually due to decreased maintenance costs.	
Description: Upgrade of play equipment at Fulton & Kenwood Parks.	

CAP1918	Memorial Park Parking Lot Repaving
Project Length: 2019 Estimated City Cost: \$125,000	City Share: 100% Funding Source: general fund / parking fund
Impact on the Operating Budget: Reduce maintenance costs due to ongoing maintenance.	
Description: Repaving of parking lot (performed last in the 1990's).	

CAP1937	Elks Park Improvements
Project Length: 2019 Estimated City Cost: \$500,000	City Share: 100% Funding Source: CDBG fund
Impact on the Operating Budget: unknown	
Description: Renovation of Elks Park play equipment.	

CAP2011	Cody Park Improvements
Project Length: 2020 Estimated City Cost: \$200,000	City Share: 100% Funding Source: CDBG fund
Impact on the Operating Budget: unknown	
Description: Renovation of Cody Park play equipment.	

CAP2111	Fernwood Park Improvements
Project Length: 2021	City Share: 100%
Estimated City Cost: \$200,000	Funding Source: CDBG fund
Impact on the Operating Budget: unknown	
Description: Renovation of Fernwood Park play equipment.	

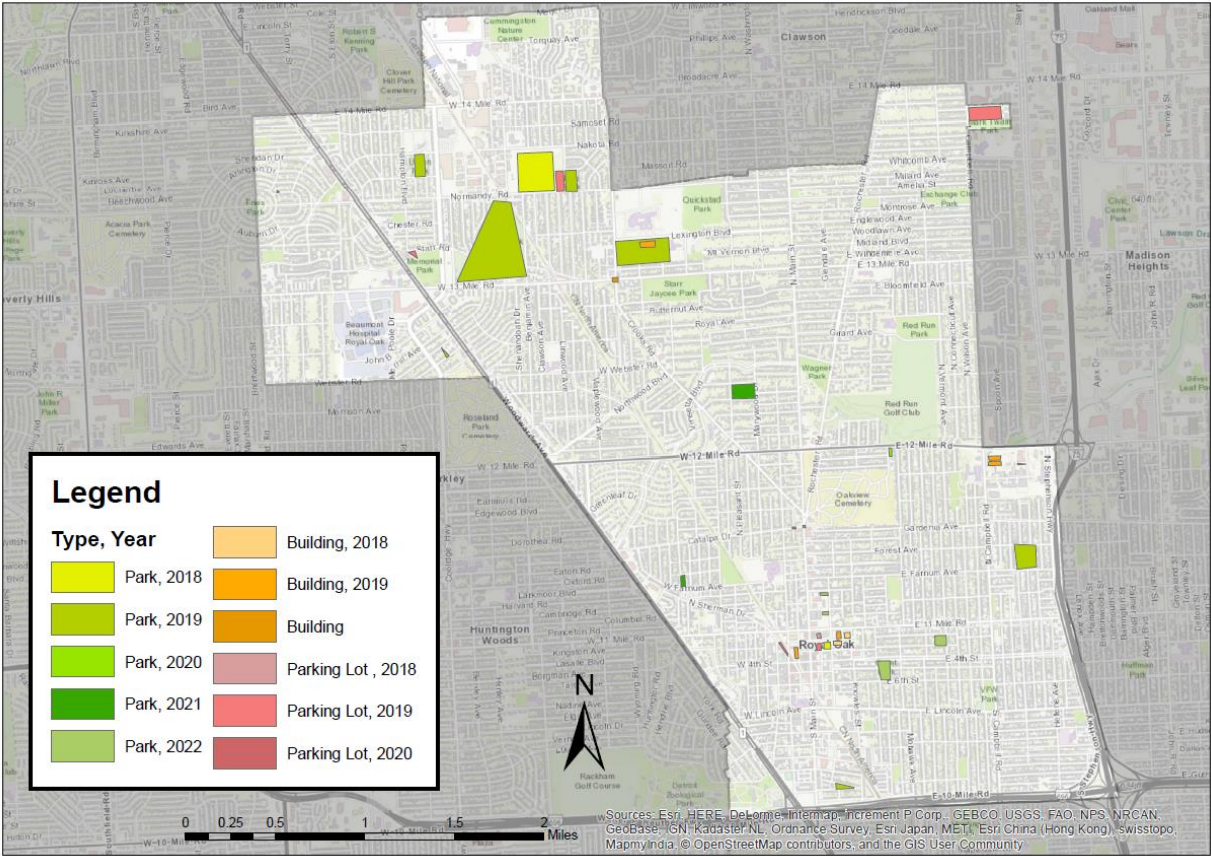
CAP2113	Waterworks Park Improvements
Project Length: 2021	City Share: 100%
Estimated City Cost: \$200,000	Funding Source: CDBG fund
Impact on the Operating Budget: unknown	
Description: Renovation of Waterworks Park play equipment.	

CAP2211	Barton Park Improvements
Project Length: 2022	City Share: 100%
Estimated City Cost: \$200,000	Funding Source: CDBG fund
Impact on the Operating Budget: unknown	
Description: Renovation of Barton Park play equipment.	

CAP2212	Grant Park Improvements
Project Length: 2022	City Share: 100%
Estimated City Cost: \$200,000	Funding Source: CDBG fund
Impact on the Operating Budget: unknown	
Description: Renovation of Grant Park play equipment.	

CAP2213	Marks Park Improvements
Project Length: 2022	City Share: 100%
Estimated City Cost: \$200,000	Funding Source: CDBG fund
Impact on the Operating Budget: unknown	
Description: Renovation of Marks Park play equipment.	

Capital Improvement Projects - Parks and Facilities



INFORMATION TECHNOLOGY

CAP1103	Computer Replacement Program
Project Length: 2016-2024 Estimated City Cost: \$675,000	City Share: 100% Funding Source: IT fund / retained earnings
Impact on the Operating Budget: Costs are anticipated to remain consistent for the proposed replacement, before more extensive service is required to keep older equipment operational.	
Description: Scheduled replacement of desktop computers when they have reached the end of their useful service life. Useful service life is generally 5 years.	

CAP1104	Office Software and Training Program
Project Length: 2016-2024 Estimated City Cost: \$406,000	City Share: 100% Funding Source: IT fund / retained earnings
Impact on the Operating Budget: Unknown	
Description: Office365 has been implemented to replace older versions of the Microsoft Office software for all city employees. Lynda.com licensing has been provided to employees for training. This program is ongoing.	

CAP1105	Server-Network-Cabling Infrastructure
Project Length: 2012-2024 Estimated City Cost: \$473,000	City Share: 100% Funding Source: IT fund / retained earnings
Impact on the Operating Budget: Unknown	
Description: Upgrade and replace key areas of the City's network, cabling, server hardware, and intrusion protection improvements when appropriate. This program is ongoing.	

CAP1302	GIS Integration
Project Length: 2013-2024 Estimated City Cost: \$555,000	City Share: 100% Funding Source: IT fund / retained earnings
<p>Impact on the Operating Budget: Costs will increase due to license renewals. Reporting capabilities could potentially save time and assist with decision making processes.</p> <p>Description: Consulting services to integrate geographical information systems (GIS) applications and development into planning, fire, clerk, and engineering and various departments and Oakland County CAMS. This program is ongoing.</p>	

CAP1403	Mobile Workforce
Project Length: 2014-2024 Estimated City Cost: \$144,000	City Share: 100% Funding Source: IT fund / retained earnings
<p>Impact on the Operating Budget: Costs are anticipated to remain consistent, until more extensive service levels are required to keep older equipment operational.</p> <p>Description: This project would address the aging laptop computers for remote and mobile workforce equipment. Consideration and utilization of other electronic devices similar to PDA/smart phones and iPads can be addressed. Accessibility of wireless access points to be implemented. This is an ongoing program.</p>	

CAP1726	Disaster Recovery Solution
Project Length: 2017-2024 Estimated City Cost: \$725,000	City Share: 100% Funding Source: IT fund / retained earnings
<p>Impact on the Operating Budget: There will be ongoing operating expenses to provide data and telephony redundancy as well as rental costs for an offsite recovery location.</p> <p>Description: Implement a disaster recovery solution to ensure city technology and systems can be quickly recovered in case of a disaster. This could include rental costs for a recovery location, hardware, and cloud computing.</p>	

VEHICLES, EQUIPMENT, LARGE STUDIES, AND OTHERS

CAP1623	Motor Pool Vehicle Replacement Plan
Project Length: 2019-2024 Estimated City Cost: \$10,956,000	City Share: 100% Funding Source: motor pool fund / user charges
Impact on the Operating Budget: Lower maintenance costs	
Description: Vehicle replacement plan for fiscal years 2018-19 to 2023-24; Plan is modified due to operational review modifications and year 2024 is being added to maintain six-ye a r period. Detailed schedules begin on the next page.	

VEHICLE REPLACEMENT 2018-2019

<u>VEH #</u>	<u>YEAR</u>	<u>MAKE & MODEL</u>	<u>ESTIMATED REPLACEMENT COSTS</u>
		ELECTRICAL	
362	05	Ford F-550 Aerial Truck	\$ 207,896
		ENGINEERING	
107	09	Ford Escape	\$ 29,700
		HIGHWAY	
232	03	GMC Sierra	\$ 34,780
257	08	Ford F-450	\$ 67,260
268	09	GMC Sierra	\$ 34,780
259	10	Sterling LT9500 - Tandem	\$ 205,729
1243	98	American Leaf Vacuum	\$ 40,260
1264	01	Ingersoll Air Compressor	\$ 19,200
		INSPECTION	
181	09	Ford Escape	\$ 29,700
		MOTOR POOL	
670	02	Yale Forklift	\$ 58,500
GM051	05	Torro Groundsmaster 345	\$ 56,680
		PARKS & FORESTRY	
776	96	Ford 4630 Ldr. Tractor	\$ 39,600
1763	96	Altec Chipper	\$ 54,560
		POLICE	
817	13	Ford Explorer	\$ 42,383
819	13	BMW Motorcycle	\$ 26,400
820	13	BMW Motorcycle	\$ 26,400
821	13	BMW Motorcycle	\$ 26,400
822	13	BMW Motorcycle	\$ 26,400
823	13	Ford Taurus	\$ 37,697
858	13	Ford Taurus	\$ 30,500
862	13	Ford Taurus	\$ 30,500
8901	97	Ford Cutaway Van	\$ 36,800
		SEWER	
414	04	Ford F-450	\$ 58,212
415	04	Ford F-450	\$ 58,212
443	01	Sterling L8513 - Single	\$ 201,447
474	98	Ford TLB	\$ 124,150
Total			\$ 1,604,146

VEHICLE REPLACEMENT 2019-2020

<u>VEH #</u>	<u>YEAR</u>	<u>MAKE & MODEL</u>	<u>ESTIMATED REPLACEMENT COSTS</u>
		FIRE	
907	14	Ford Explorer	\$ 38,200
		HIGHWAY	
247	10	Sterling L8513 - Single	\$ 205,729
267	02	GMC Sign Truck	\$ 180,000
1241	98	American Leaf Vacuum	\$ 40,260
1245	02	American Leaf Vacuum	\$ 40,260
1469	00	Magnum Cement Saw	\$ 18,600
		MOTOR POOL	
GM071	07	Torro Groundsmaster 328D	\$ 56,680
		PARK & FORESTRY	
766	96	Sterling L8513 - Single	\$ 132,890
765	03	Sterling/Prentice Log Ldr	\$ 205,460
774	01	NH TN-65 Tractor	\$ 33,000
777	96	Ford 4630 Tractor	\$ 33,000
		POLICE	
802	14	Ford Explorer	\$ 39,755
807	14	Ford Explorer	\$ 39,755
813	14	Ford Explorer	\$ 39,755
829	10	Ford Escape	\$ 35,700
832	13	Ford Taurus	\$ 38,702
843	13	Ford Edge	\$ 37,450
859	13	Ford Explorer	\$ 37,450
863	13	Ford Edge	\$ 37,450
		WATER MAINTENANCE	
1460	97	Ingersoll Light Tower	\$ 19,800
1466	01	Ingersoll Air Compressor	\$ 19,200
Total			\$ 1,329,096

VEHICLE REPLACEMENT 2020-2021

<u>VEH #</u>	<u>YEAR</u>	<u>MAKE & MODEL</u>	<u>ESTIMATED REPLACEMENT COSTS</u>
		ASSESSING	
104	15	Ford Escape	\$ 29,700
		AUTO PARKING	
683	15	Tennant Sweeper	\$ 47,520
		CABLE	
1055	01	Ford F550 Van	\$ 640,000
		FIRE	
906	17	Ford Explorer	\$ 38,200
908	14	Ford Explorer	\$ 38,200
		HIGHWAY	
233	05	GMC Sierra	\$ 34,780
235	05	GMC Sierra	\$ 34,780
295	93	Hypac Roller	\$ 58,500
1247	02	American Leaf Vacuum	\$ 40,260
1280	02	Target Arrow	\$ 6,700
		INSPECTION	
163	14	Ford Escape	\$ 29,700
182	14	Ford Escape	\$ 29,700
		MOTOR POOL	
1601	92	Ajax Trailer	\$ 21,000
1602	94	Special Events Trailer	\$ 16,800
		PARKS & FORESTRY	
771	04	NH TN-60A2 Tractor	\$ 33,000
778	96	Ford 4630 Tractor	\$ 33,000
2716	92	Ajax Trailer	\$ 16,800
2717	92	Ajax Trailer	\$ 16,800
		POLICE	
804	15	Ford Explorer	\$ 40,348
805	15	Ford Explorer	\$ 40,348
816	17	Ford Explorer	\$ 36,141
824	16	Ford Explorer	\$ 39,223
826	16	Ford Explorer	\$ 39,223
830	13	Ford Taurus	\$ 38,702
840	15	Ford Explorer	\$ 37,450
854	14	Ford F-150	\$ 34,800
		SEWER	
1467	01	Ingersoll Air Compressor	\$ 19,200
		WATER MAINTENANCE	
491	04	Arrow Hammer	\$ 117,000
Total			\$ 1,607,875

VEHICLE REPLACEMENT 2021-2022

<u>VEH #</u>	<u>YEAR</u>	<u>MAKE & MODEL</u>	<u>ESTIMATED REPLACEMENT COSTS</u>
		BUILDING MAINTENANCE	
737	15	Ford F-250	\$ 34,984
		FIRE	
967	15	Ford F-350	\$ 43,138
911	08	E-1 Pumper	\$ 782,334
		HIGHWAY	
283	02	Bobcat L 873	\$ 78,000
416	03	GMC Sierra	\$ 34,780
1248	98	American Leaf Vacuum	\$ 40,260
		INSPECTION	
164	14	Ford Escape	\$ 29,700
165	15	Ford Escape	\$ 29,700
184	15	Ford Escape	\$ 29,700
185	15	Ford Escape	\$ 29,700
		MOTOR POOL	
GM131	13	Torro Groundsmaster 360	\$ 56,680
		PARKS & FORESTRY	
775	04	NH D65C82 Tractor	\$ 33,000
779	96	Ford 4630 Tractor	\$ 33,000
1763	96	Altec Chipper	\$ 54,560
1768	01	Bandit Tree Stumper	\$ 32,500
		POLICE	
801	17	Ford Explorer	\$ 41,402
803	18	Ford Explorer	\$ 37,603
808	15	Ford Explorer	\$ 37,812
809	17	Ford Explorer	\$ 37,921
811	15	Ford Explorer	\$ 40,846
812	15	Chevy Tahoe	\$ 50,876
814	16	Chevy Tahoe	\$ 54,610
815	16	Ford Escape	\$ 40,822
841	16	Chevy Tahoe	\$ 40,430
845	15	Ford Taurus	\$ 29,500
851	17	Ford Explorer	\$ 37,450
		SEWER	
413	09	GMC Savana	\$ 33,320
1481	08	Target Arrow	\$ 6,700
1482	89	Target Arrow	\$ 6,700
		WATER MAINTENANCE	
1483	08	Target Arrow	\$ 6,700
Total			\$ 1,844,728

VEHICLE REPLACEMENT 2022-2023

<u>VEH #</u>	<u>YEAR</u>	<u>MAKE & MODEL</u>	<u>ESTIMATED REPLACEMENT COSTS</u>
		ASSESSOR	
102	17	Ford Escape	\$ 29,700
		ENGINEERING	
108	16	Ford Transit Connect	\$ 33,320
630	17	Ford Explorer	\$ 36,537
631	17	Ford Explorer	\$ 35,839
632	12	Ford Transit Connect	\$ 33,320
633	16	Ford Explorer	\$ 35,200
637	16	Ford F-250	\$ 31,530
		FIRE	
905	16	Ford Explorer	\$ 36,998
912	03	E-1 Aerial	\$ 1,290,800
		HIGHWAY	
234	15	Ford F-250	\$ 37,437
261	15	Ford F-250	\$ 40,720
268	18	GMC Sierra	\$ 34,780
1249	04	American Leaf Vacuum	\$ 40,260
		INSPECTION	
180	16	Ford Escape	\$ 29,700
		MOTOR POOL	
GM061	06	Torro Groundsmaster 345	\$ 56,680
		PARKS & FORESTRY	
703	02	Bobcat L 773	\$ 58,500
		POLICE	
806	13	Ford Taurus	\$ 37,603
810	13	Ford Taurus	\$ 37,603
818	16	Chevy Tahoe	\$ 45,687
842	10	Ford Taurus	\$ 29,500
844	17	Dodge Durango	\$ 34,436
860	15	Ford Taurus	\$ 34,175
		SEWER	
141	15	Ford F-250	\$ 36,164
1465	04	Sewer Rodder	\$ 58,500
2441	01	Hudson Bros. Trailer	\$ 28,000
Total			\$ 2,202,989

VEHICLE REPLACEMENT 2023-2024

<u>VEH #</u>	<u>YEAR</u>	<u>MAKE & MODEL</u>	<u>ESTIMATED REPLACEMENT COSTS</u>
		ASSESSOR	
109	17	Ford Escape	\$ 29,700
		ELECTRICAL	
331	16	Ford Transit 150	\$ 33,855
		FIRE	
907	19	Ford Explorer	\$ 38,200
920	08	E-1 Pumper	\$ 782,334
99X1	03	Haulmark Trailer	\$ 21,000
		HIGHWAY	
202	18	Ford F-150	\$ 37,119
256	14	Freightliner 108SD	\$ 205,729
1242	98	American Leaf Vacuum	\$ 40,260
		ICE ARENA	
792	15	Zamboni	\$ 130,000
		INSPECTION	
186	16	Ford Escape	\$ 29,700
187	17	Ford Escape	\$ 29,700
		MOTOR POOL	
GM051	06	Torro Groundsmaster 345	\$ 56,680
		PARKS & FORESTRY	
2715	99	Integrity Trailer	\$ 16,800
2718	99	Integrity Trailer	\$ 16,800
		POLICE	
819	18	BMW Motorcycle	\$ 26,400
820	18	BMW Motorcycle	\$ 26,400
821	18	BMW Motorcycle	\$ 26,400
822	18	BMW Motorcycle	\$ 26,400
823	18	Ford Taurus	\$ 37,697
828	18	Chevy Tahoe	\$ 35,700
861	17	Chevy Traverse	\$ 35,330
862	18	Ford Taurus	\$ 30,500
		SEWER	
461	15	Freightliner2100/Vactor	\$ 492,698
		WATER MAINTENANCE	
401	17	Ford F-150	\$ 37,119
471	09	JCB 3C-15	\$ 124,150
Total			\$ 2,366,671

CAP1961	Aerial Lift
Project Length: 2019 Estimated City Cost: \$13,000	City Share: 100% Funding Source: motor pool fund / user charges
Impact on the Operating Budget: Savings by reducing the need to rent equipment. Estimated at \$225 per day, 10 to 15 days per year.	
Description: Aerial lift for light maintenance at the Salter Center, ice arena, farmers market, library, and parking garages.	

CAP1962	Brine Tank
Project Length: 2019 Estimated City Cost: \$100,000	City Share: 100% Funding Source: motor pool fund / user charges
Impact on the Operating Budget: Reduce salt usage by \$2,500 annually.	
Description: Expansion of brine making capability. As more plow trucks have had brine tanks added, the current storage and production capability has been exceeded. This improves the efficiency of snow operations.	

CAP1963	Leaf / Snow Claw
Project Length: 2019 Estimated City Cost: \$12,000	City Share: 100% Funding Source: motor pool fund / user charges
Impact on the Operating Budget: Increased service due to reduced downtime when repairs are occurring.	
Description: Purchase an additional claw for leaf/snow removal. This would provide a 3rd claw to rotate into service when the other claw is down for repairs, allowing operations to continue.	

CAP1964	Paint Machine
Project Length: 2019 Estimated City Cost: \$10,000	City Share: 100% Funding Source: motor pool fund / user charges
Impact on the Operating Budget: Reduced maintenance and down time for street painting crew.	
Description: Replacement paint machine for street marking as current machine has reached end of life after 15 plus years.	

CAP1965	Fire Department Turnout Gear
Project Length: 2019	City Share: 100%
Estimated City Cost: \$80,000	Funding Source: public safety fund
Impact on the Operating Budget: Unknown	
Description: Replace 33 units of unserviceable turnout gear to provide proper safety for firefighting.	

CAP1966	EKG Monitor Replacement
Project Length: 2019	City Share: 100%
Estimated City Cost: \$70,000	Funding Source: public safety fund
Impact on the Operating Budget: Unknown	
Description: Replace two EKG monitors as some are presently defective and for uniformity of gear.	

CAP1967	Fire Department Radio Replacement
Project Length: 2019	City Share: 100%
Estimated City Cost: \$35,000	Funding Source: public safety fund
Impact on the Operating Budget: Unknown	
Description: Replace ten old and failed radios.	

PROJECTS UNDER REVIEW

Projects Under Review are projects that may be deemed as worthy and viable; however, they are not included as part of the active 2019-2024 Capital Improvement Plan as additional research or review is ongoing. Projects under review may require additional information, studies or city commission policies to be in place before more accurate timelines and/or funding levels can be identified. It is possible that projects under review may not fall under the city’s jurisdiction and will require other agencies to move the project forward; while some projects may not fall within the 2019-2024 timeframe.

	Fire Station #1 and #2 Construction/Strategic Relocation
Project Length: N/A	City Share: 100%
Estimated City Cost: \$12,000,000	Funding Source: public safety fund / sale of stations
Impact on the Operating Budget: Unknown	
Description: Strategically relocate two fire stations, eliminating the three current stations. Position one fire station near Gardenia Avenue & Main Street and the other station near 13 Mile Road & Crooks Road.	

CIP #	PROJECT NAME	SUBMITTER RATING	PROJECT COORDINATION	PROJECT TYPE	POTENTIAL FUNDNG SOURCE(S)	ESTIMATED TOTAL PROJECT COST	% CITY SHARE	NON CITY COST	TOTAL CITY COST	PRIOR YRS CITY COST	FUTURE CITY COST (2019-2024)	2018-19 CITY COST	2019-20 CITY COST	2020-21 CITY COST	2021-22 CITY COST	2022-23 CITY COST	2023-24 CITY COST
	Water and Sewer Improvements																
CAP1720	Royal Oak Roadway Rain Gardens	71	N/A	Rehabilitation	Water & Sewer Fund / Rates / MDEQ Grant	210,000	26%	155,000	55,000	14,000	41,000	41,000					
CAP1736	Green Infrastructure Study	80	N/A	Study	Water & Sewer Fund / Rates	90,000	100%		90,000	85,000	5,000	5,000					
CAP1835	Woodland Ave and Yorba Linda Blvd Water Main Improvements	130	Local St. Paving	Replacement	Water & Sewer Fund / Rates	938,000	100%		938,000	469,000	469,000	469,000					
CAP1908	14 Mile Road Water Main Improvements	145	Major St. Paving	Replacement	Water & Sewer Fund / Rates	1,138,000	100%		1,138,000	-	1,138,000	569,000	569,000				
CAP1910	2019 Water Main Improvements	141	Local St. Paving	Replacement	Water & Sewer Fund / Rates	3,216,000	100%		3,216,000	-	3,216,000	1,608,000	1,608,000				
CAP1935	Massoit Rd and Nakota Rd Water Main Improvements	130	Local St. Paving	Replacement	Water & Sewer Fund / Rates	406,000	100%		406,000	-	406,000	406,000					
CAP2010	2020 Water Main Improvements	141	Local St. Paving	Replacement	Water & Sewer Fund / Rates	3,176,000	100%		3,176,000	-	3,176,000		1,588,000	1,588,000			
CAP2035	North Wilson Ave Water Main Improvements	130	Local St. Paving	Replacement	Water & Sewer Fund / Rates	240,000	100%		240,000	-	240,000	240,000					
CAP2110	2021 Water Main Improvements	141	Local St. Paving	Replacement	Water & Sewer Fund / Rates	3,450,000	100%		3,450,000	-	3,450,000			1,725,000	1,725,000		
CAP2210	2022 Water Main Improvements	145	Local St. Paving	Replacement	Water & Sewer Fund / Rates	3,776,000	100%		3,776,000	-	3,776,000				1,888,000	1,888,000	
CAP2310	2023 Water Main Improvements	141	Local St. Paving	Replacement	Water & Sewer Fund / Rates	3,550,000	100%		3,550,000	-	3,550,000					1,775,000	1,775,000
CAP2410	2024 Water Main Improvements	141	Local St. Paving	Replacement	Water & Sewer Fund / Rates	1,903,000	100%		1,903,000	-	1,903,000						1,903,000
CAPXX55	Special Assessment Paving (Water Main Improvements) (CAP2055-CAP2455)	130	Local St. Paving	Replacement	Water & Sewer Fund / Rates	900,000	100%		900,000	-	900,000		100,000	200,000	200,000	200,000	200,000
CAPXX75	Sewer Televising & Root Control (City Wide) (CAP1975-CAP2475)	126	N/A	Rehabilitation	Water & Sewer Fund / Rates	3,570,000	100%		3,570,000	-	3,570,000	635,000	509,000	534,000	600,000	630,000	662,000
CAPXX85	Sewer Lining (City Wide) (CAP1985-CAP2485)	126	N/A	Rehabilitation	Water & Sewer Fund / Rates	4,617,000	100%		4,617,000	-	4,617,000	772,000	695,000	750,000	776,000	800,000	824,000
CAPXX95	Spot Sewer Repairs (City Wide) (CAP1995-CAP2495)	126	N/A	Rehabilitation	Water & Sewer Fund / Rates	3,424,000	100%		3,424,000	-	3,424,000	486,000	510,000	536,000	600,000	630,000	662,000
	Water & Sewer Improvements				Subtotal	34,604,000		155,000	34,449,000	568,000	33,881,000	4,991,000	5,819,000	5,333,000	5,789,000	5,923,000	6,026,000
	Sidewalk Improvements																
CAPXX01	Concrete Pavement And Prepaid Sidewalk Improv.(City Wide) (CAP1801-CAP2401)	105	N/A	Replacement	Water & Sewer Fund / Rates	3,255,000	100%		3,255,000	435,000	2,820,000	470,000	470,000	470,000	470,000	470,000	470,000
CAPXX02	Sidewalk Improvements Program Millage (City-Wide) (CAP1902-CAP2402)	145	N/A	Replacement	Sidewalk Millage	5,000,000	100%		5,000,000	-	5,000,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000	500,000
	Sidewalk Improvements				Subtotal	8,255,000		-	8,255,000	435,000	7,820,000	970,000	1,470,000	1,470,000	1,470,000	1,470,000	970,000
	Local Street Improvements																
CAP1911	Diverter/Berm Removal Project (section 22)	137	N/A	Replacement	Local Streets Fund	300,000	100%		300,000	-	300,000	120,000	180,000				
CAPXX05	Millage Concrete Street Repairs (CAP1905-CAP2405)	125	N/A	Replacement	Local Streets Fund	7,696,000	100%		7,696,000	-	7,696,000	1,290,000	1,370,000	1,440,000	1,255,000	1,060,000	1,281,000
CAPXX10	Road Work on Water / Sewer Projects (CAP1910-CAP2410)	141	W & S Projects	Replacement	Local Streets Fund	2,840,000	100%		2,840,000		2,840,000	535,000	740,000	320,000	455,000	445,000	345,000
CAPXX15	Millage Asphalt Resurfacing (CAP1815-CAP2415)	130	N/A	Replacement	Local Streets Fund	13,835,000	100%		13,835,000	1,165,000	12,670,000	2,445,000	2,000,000	1,900,000	2,450,000	2,500,000	1,375,000
CAPXX25	Millage and Major Street Joint Sealing (CAP1925-CAP2425)	121	Major St. Joint Sealing	Replacement	Local Streets Fund	610,000	100%		610,000	-	610,000	190,000	190,000	50,000	50,000	60,000	70,000
CAPXX35	Millage Road Reconstruction (CAP1835-CAP2135)	130	N/A	Replacement	Local Streets Fund	4,135,000	100%		4,135,000	765,000	3,370,000	1,670,000	1,400,000	300,000			
CAPXX55	Special Assessments Paving (CAP1955-CAP2455)	130	N/A	Replacement	Local Streets Fund / Special Assessment	7,218,000	58%	3,000,000	4,218,000	-	4,218,000	568,000	730,000	730,000	730,000	730,000	730,000
	Local Street Improvements				Subtotal	36,634,000		3,000,000	33,634,000	1,930,000	31,704,000	6,818,000	6,610,000	4,740,000	4,940,000	4,795,000	3,801,000
	Major Street Improvements																
CAP1101	Surveying Services	84	N/A	New	Major / Local Streets Funds / W&S Fund	80,000	100%		80,000	-	80,000	5,000	15,000	15,000	15,000	15,000	15,000
CAP1401	Traffic Signal Upgrade Project	136	N/A	Replacement	Major Streets Fund / Safety Grant	6,000,000	20%	4,800,000	1,200,000	-	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000
CAP1806	Campbell Road Resurfacing	132	N/A	Replacement	Major Streets Fund / Fed Funds	2,700,000	56%	1,188,000	1,512,000	454,000	1,058,000	1,058,000					
CAP1808	North Main Street Resurfacing	132	N/A	Rehabilitation	Major Streets Fund / Fed Funds	1,181,000	35%	769,000	412,000	355,000	57,000	57,000					
CAP1822	North-South Bicycle Route	103	N/A	New	Major Streets Fund	1,000,000	100%	-	1,000,000	250,000	750,000	750,000					
CAP1908	14 Mile Road Resurfacing	132	W & S Projects	Rehabilitation	Major St. Fund / Fed Funds	2,680,000	26%	1,984,000	696,000	-	696,000	348,000	348,000				
CAP1999	I-75 Widening	139	N/A	Rehabilitation	Major Streets Fund / State of Michigan	167,777,000	0.1%	167,677,000	100,000	-	100,000	20,000	35,000	45,000			
CAP2007	Gardenia Avenue Reconstruction and Resurfacing	134	N/A	Replacement	Major Streets Fund	1,215,000	100%		1,215,000	-	1,215,000	350,000	865,000				
CAP2008	Crooks Road Resurfacing	132	W & S Projects	Rehabilitation	Major Streets Fund / Fed Funds	2,152,000	33%	1,436,000	716,000	-	716,000	358,000	358,000				
CAP2108	11 Mile Road Resurfacing	134	N/A	Rehabilitation	Major Streets Fund	2,400,000	100%		2,400,000	-	2,400,000			1,200,000	1,200,000		
CAP2112	Rochester Road Resurfacing	132	N/A	Rehabilitation	Major Streets Fund / Fed Funds	3,560,000	32%	2,420,000	1,140,000	-	1,140,000			342,000	798,000		
CAPXX09	Major Street Improvements (CAP1909-CAP2409)	131	N/A	Rehabilitation	Major Streets Fund	9,000,000	100%		9,000,000	-	9,000,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
CAPXX25	Millage and Major Street Joint Sealing (CAP1825-CAP2525)	121	Local St. Joint Sealing	Rehabilitation	Major Streets Fund	845,000	100%		845,000	65,000	780,000	130,000	130,000	130,000	130,000	130,000	130,000
	Major Street Improvements				Subtotal	200,590,000		180,274,000	20,316,000	1,124,000	19,192,000	4,068,000	2,936,000	4,655,000	3,843,000	1,845,000	1,845,000
	City-Owned Facilities																
CAP1102	Parking Meters	76	N/A	Replacement	Parking Fund / Fees	750,000	100%		750,000	450,000	300,000	50,000	50,000	50,000	50,000	50,000	50,000
CAP1811	Motor Pool HVAC	82	CAP1818	Replacement	Motor Pool Fund	25,000	100%		25,000	-	25,000	25,000					
CAP1812	Center Street and Catalpa Drive Repair Parking Lot Wall	101	N/A	Replacement	Parking Fund / Fees	45,000	100%		45,000	-	45,000		45,000				
CAP1818	DPS Roof	98	CAP1808	Replacement	Motor Pool Fund / General Fund	450,000	100%		450,000	-	450,000	170,000	118,000	162,000			
CAP1824	Ice Arena Condenser Tower	81	N/A	Replacement	Ice Arena Fund / Fees	70,000	100%		70,000	-	70,000	70,000					
CAP1832	Amtrak Improvements	117	CAP1917	Replacement	Parking Fund / Fees / Amtrak	69,000	10%	62,000	7,000	-	7,000	7,000					
CAP1870	Williams Street Parking Structure	79	CAPPD18, CAPCH18, CAPCP18	New	Parking Fund / Fees	18,160,000	100%		18,160,000	2,463,000	15,697,000	15,697,000					
CAPPD18	Police Department Building	79	CAP1870, CAPCH18, CAPCP18	New	General Fund	18,680,000	100%		18,680,000	3,114,000	15,566,000	9,096,000	6,470,000				
CAPCH18	City Hall Building	79	CAP1870, CAPPD18, CAPCP18	New	General Fund	12,260,000	100%		12,260,000	1,090,000	11,170,000	8,068,000	3,102,000				
CAP1907	Animal Shelter Drive	56	N/A	New	To be Determined	45,000	100%		45,000	-	45,000	45,000					
CAP1917	Sherman Drive Parking Lot Repaving	119	CAP1832	New	Parking Fund / Fees	125,000	100%		125,000	-	125,000	125,000					
CAP1951	Center Street Garage Fire Line Renovation	115	N/A	Rehabilitation	Parking Fund / Fees	20,000	100%		20,000	-	20,000	20,000					
CAP1952	Farmers Market Concrete Restoration	109	N/A	Replacement	Farmers Market Fund	25,000	100%		25,000	-	25,000	25,000					
CAP1953	Farmers Market Porch Enclosure/Awning	90	N/A	New	Farmers Market Fund	30,000	100%		30,000	-	30,000	30,000					
CAP1954	Farmers Market Outdoor Heating	92	N/A	New	Farmers Market Fund	18,000	100%		18,000	-	18,000	18,000					
	City-Owned Facilities				Subtotal	50,772,000		62,000	50,710,000	7,117,000	43,593,000	33,446,000	9,785,000	212,000	50,000	50,000	50,000
	Parks and Grounds																
CAP1511	Normandy Oaks Park Development	145	N/A	New	Sale of Normandy Oaks Assets	3,000,000	100%		3,000,000	1,000,000	2,000,000	1,000,000	1,000,000				
CAP1829	Golf Course Improvements	99	N/A	New	Sale of Normandy Oaks Assets	420,000	100%		420,000	-	420,000	140,000	140,000	140,000			
CAPCP18	Downtown Park Development	79	CAP1841, CAP1842, CAP1843	New	General Fund / DDA	10,940,000	100%		10,940,000	1,942,000	8,998,000	8,998,000					
CAP1846	Tree Planting	110	N/A	New	CDBG Fund	450,000	100%		450,000	-	450,000	150,000	150,000	150,000			
CAP1904	Upton Park Soccer Field Development	97	N/A	New	General Fund	75,000	100%		75,000	-	75,000	75,000					
CAP1906	Worden Park Lighting Replacement	93	N/A	Replacement	General Fund / CDBG	250,000	100%		250,000	-	250,000	250,000					
CAP1912	Westwood and Worden East Parks Play Equipment	97	N/A	Replacement	CDBG Fund	90,000	100%		90,000	-	90,000	90,000					
CAP1913	Mark Twain and Elks Park Parking Lot Improvements	95	N/A	New	General Fund / CDBG	130,000	100%		130,000	-	130,000	130,000					
CAP1914	Wendland Park Play Equipment	118	N/A	Replacement	General Fund / Grant	45,000	100%		45,000	-	45,000	45,000					
CAP1916	Kenwood / Fulton Park Improvements	90	N/A	Replacement	General Fund	90,000	100%		90,000	-	90,000	90,000					
CAP1918	Memorial Park Parking Lot Improvement	101	N/A	Replacement	General Fund	125,000	100%		125,000	-	125,000	125,000					

CIP #	PROJECT NAME	SUBMITTER RATING	PROJECT COORDINATION	PROJECT TYPE	POTENTIAL FUNDING SOURCE(S)	ESTIMATED TOTAL PROJECT COST	% CITY SHARE	NON CITY COST	TOTAL CITY COST	PRIOR YRS CITY COST	FUTURE CITY COST (2019-2024)	2018-19 CITY COST	2019-20 CITY COST	2020-21 CITY COST	2021-22 CITY COST	2022-23 CITY COST	2023-24 CITY COST
CAP1963	Leaf / Snow Claw	88	N/A	New	Motor Pool Fund / User Charges	12,000	100%		12,000	-	12,000	12,000					
CAP1964	Paint Machine	79	N/A	New	Motor Pool Fund / User Charges	10,000	100%		10,000	-	10,000	10,000					
CAP1965	Fire Department Turnout Gear	97	N/A	Replacement	Public Safety Fund	80,000	100%		80,000	-	80,000	80,000					
CAP1966	EKG Monitor Replacement	102	N/A	Replacement	Public Safety Fund	70,000	100%		70,000	-	70,000	70,000					
CAP1967	Fire Department Radio Replacement	97	N/A	Replacement	Public Safety Fund	35,000	100%		35,000	-	35,000	35,000					
Vehicles / Equipment / Other						Subtotal		-	11,276,000	-	11,276,000	1,924,000	1,329,000	1,608,000	1,845,000	2,203,000	2,367,000
GRAND TOTAL OF ALL CITY PROJECTS						362,424,000		183,491,000	178,933,000	15,190,000	163,743,000	64,126,000	29,755,000	19,032,000	18,853,000	16,602,000	15,375,000
Projects Under Review																	
	Fire Station #1 and #2 Construction/Strategic Relocation	N/A	N/A	Replacement	Public Safety Fund / Sale of Stations	12,000,000	100%		12,000,000	-	12,000,000						
	Green = Modified Project Peach = New Project																

ENTERPRISE FUNDS

Enterprise funds are established to finance and account for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominantly self-supporting by user charges; or where the governing body has decided periodic determination of revenue earned, expenses incurred and/or net income is appropriate.

Arts, Beats, and Eats Fund – 506

Farmers Market Fund - 551

Recreation Fund - 508

Water & Sewer Funds – 592

Auto Parking Fund - 516

Ice Arena Fund – 598

The purpose of the Arts, Beats & Eats cost center is to account for the city's personnel, contracted and supply costs of the festival. Personnel costs consist of police, fire and DPS employees.

Arts, Beats & Eats is held in downtown Royal Oak over the Labor Day weekend. The event was formerly held in downtown Pontiac.

Over one-quarter of a million visitors are expected to enjoy the 150 musical acts, 150 fine artists, and nearly 50 restaurants at this year's event.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Parking revenues are decreasing relative to fiscal year 2017-18 original budget due to fewer public parking lots available due to several development projects. Revenues are increasing slightly relative to the 2017-18 actual as the 2nd Street garage will be completed and available in fiscal year 2018-19. The future years' estimated budgets utilize a small portion of fund balance. However this projection is very uncertain due to the nature of this fund.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	145,889	145,019	140,629	136,219	131,789	127,329
Revenues and transfers from other funds	295,790	302,000	302,000	302,000	302,000	302,000
Expenditures and transfers to other funds	296,660	306,390	306,410	306,430	306,460	306,490
Net Change in Net Assets	(870)	(4,390)	(4,410)	(4,430)	(4,460)	(4,490)
Ending Unrestricted Net Assets	145,019	140,629	136,219	131,789	127,329	122,839

Revenues

506.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	326,000	0	12,640	0	338,640
2015-2016 Actual	0	0	333,620	0	9,920	0	343,540
2016-2017 Actual	0	0	370,700	0	0	9,730	380,430
2017-2018 Original Budget	0	0	345,750	0	15,000	0	360,750
2017-2018 Adjusted Budget (Dec)	0	0	345,750	0	15,000	0	360,750
2017-2018 Six Month Actual	0	0	294,590	0	0	0	294,590
2017-2018 Estimated Year End	0	0	295,790	0	0	0	295,790
2018-2019 Dept Request	0	0	302,000	0	0	0	302,000
2018-2019 Manager's Budget	0	0	302,000	0	0	0	302,000
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	302,000	0	0	0	302,000
2020-2021 Projected Budget	0	0	302,000	0	0	0	302,000
2021-2022 Projected Budget	0	0	302,000	0	0	0	302,000
2022-2023 Projected Budget	0	0	302,000	0	0	0	302,000

Expenditures

506.837 ARTS, BEATS, & EATS	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	80,420	137,420	0	78,660	0	296,500
2015-2016 Actual	67,090	188,030	0	81,940	0	337,060
2016-2017 Actual	67,540	320,330	0	74,160	0	462,030
2017-2018 Original Budget	78,430	207,230	0	75,090	0	360,750
2017-2018 Adjusted Budget (Dec)	78,430	207,230	0	75,090	0	360,750
2017-2018 Six Month Actual	64,780	13,270	0	38,290	0	116,340
2017-2018 Estimated Year End	64,750	163,880	0	68,030	0	296,660
2018-2019 Dept Request	67,460	163,880	0	75,050	0	306,390
2018-2019 Manager's Budget	67,460	163,880	0	75,050	0	306,390
2018-2019 Approved Budget						
2019-2020 Projected Budget	67,460	163,900	0	75,050	0	306,410
2020-2021 Projected Budget	67,460	163,920	0	75,050	0	306,430
2021-2022 Projected Budget	67,460	163,950	0	75,050	0	306,460
2022-2023 Projected Budget	67,460	163,980	0	75,050	0	306,490

The mission of the recreation department is to provide residents a variety of year-round recreation opportunities that are responsive to their needs, are enjoyable to their families and contribute to their physical and mental well-being.

The department is challenged to provide excellent leisure programs that stimulate the bodies and minds of the city residents and business persons of all ages, including toddlers, youth, adults, and seniors.

The recreation staff is responsible for marketing, registration, equipment, supplies, facilities, budget and evaluation. All other staffing is part-time and/or contract personnel.

Programs are operated in the city's two community centers and throughout our fifty parks and playgrounds. Separately, the ice arena and senior citizen services programs are two companion activities that operate from their own individual funds.

Working with all city departments, the superintendent also produces the city's quarterly newsletter "The Insight".

The school district of the City of Royal Oak and the City of Royal Oak joined in the creation of a parks and recreation department in accordance with the provisions of Section 3 of Act 156, Public Acts for 1917.

Recreation is guided with the assistance of the parks and recreation advisory board to formulate an annual recreation program. The department of recreation and public service sponsor games, contests, exhibitions and other recreational events, and charges admission to any such events when deemed necessary and advisable in order to defray the expenses of the recreational program. In connection with all such events, the department rents concessions for the accommodation of patrons of such events.

The major responsibility of the recreation department is to offer a variety of leisure programs for toddlers, youth, adults, and seniors. The superintendent of recreation is the liaison between the city and school district for the implementation of the in-kind service agreement as it relates to recreational facility usage. The department also works with and oversees the contracts between the City of Royal Oak and Suburban Management Group at the Lindell Ice Arena, Royal Oak Golf Course, Royal Oak Golf

Center, Grand Slam Batting Cages and Total Soccer.

Infant and Toddlers: Our Four Seasons Preschool is a state licensed preschool program; children participate in a 33-week curriculum at the Senior Community Center. Recently the department began to offer a seven-week summer program for returning and new students. (79 Participants)

Youth Sports and Enrichment: Children can sign up for a 30 week dance program, sport camps, t-ball, golf, basketball, soccer and tennis. Recently we have added art classes, young engineers and story time with crafts. (909 participants)

Summer Day Camp: A nine-week, fifty-hour camp. Children participate in sports, arts and crafts, swimming, special events and field trips. The camp will be held at Royal Oak High School with a camper to counselor ratio of 1 to 10. (430 participants)

Adult Sports Leagues/Programs: Softball 102 teams, women's soccer 10 teams, volleyball 36 teams. Pickle ball 3700 and Tennis 105. (est. 3145 participants)

Adult Enrichment: Programs include tai-chi, yoga, ballroom dance. In 2016, the department began offering cooking classes; Ravioli's, Cannoli's, Pierogies. (est. 450 participants)

Adult Fitness: Classes include aerobics, kickboxing, pilates, abs, glutes, and thighs. (1152 participants)

Cultural Events: The 48th Annual Royal Oak Art Fair will be held July 7th and 8th at Memorial Park. One hundred artists from all over the United States participate in this annual event.

In 2018, the City of Royal Oak is considered the pickleball mecca of Michigan with 21 newer pickleball courts; 8 Whittier Park, 7 at Upton Park and 6 indoor courts at the Salter Community Center. The department will continue to offer the adopt-a-park program that offer a private-public partnership with residents, community organizations, and businesses. The goal is to improve our parks system through beautification projects and donations for trees, benches and park supplies.

The recreation department works with community youth athletic organizations to coordinate hundreds of games, practices and the

maintenance schedules for all soccer fields (18 fields spring and fall), baseball (20), softball (12), and a football field. Coordinates all pavilion rentals at Memorial, VFW and Starr/J.C. parks.

The recreation department oversees the contracts and works with the staff of the following

recreational entities in the City of Royal Oak: Royal Oak Golf Courses, Royal Oak Golf Center, the Grand Slam Batting Training Center, Suburban Ice Management @ the Lindell Ice Arena and Total Soccer.

GOALS

1. Enhance the quality of life for residents by offering desirable leisure and social activities.
2. Make the execution of the parks & recreation master plan a top priority.
3. Community – To preserve neighborhoods by encouraging community involvement and family activities.

OBJECTIVES

- Complete phase one of Normandy Oaks Park.^{GOAL3}
- Continue to revamp city parks yearly and implement the five-year master plan.^{GOAL3}

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
GOAL¹ Participants						
Preschool – Senior Center	58	79	58	79	79	79
Youth Sports & Enrichment	918	900	423	1,009	1,009	1,009
Summer Day Camp	432	400	0	400	400	400
Adult Sports Leagues	2,720	2,720	1,900	3,145	3,145	3,145
Adult Enrichment	390	390	175	450	450	450
Adult Fitness	1,081	900	450	1,050	1,050	1,050
Cultural Events - Artists	105	102	0	98	100	100
GOAL¹ Adult Sports League Teams						
Softball	99	99	0	99	99	99
Soccer - Women	10	9	0	10	10	10
Basketball	0	0	0	0	0	0
Volleyball	36	36	18	36	36	36
Pickle Ball registrations	3,200	3,200	1,600	3,700	3,700	3,700
GOAL² Venues Scheduled						
Soccer Fields (spring & fall)	16	18	0	18	18	18
Baseball Fields	20	20	0	20	20	20
Softball Fields	12	12	0	12	12	12
Football Fields	1	1	0	1	1	1
GOAL² Indoor Rentals (in hours)						
Indoor Rentals (in hours)	705	705	290	750	750	750
Outdoor Field Rentals	350	350	0	345	345	345
Pavilion Rentals – VFW and Starr/JC parks	229	229	0	275	275	275

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Cultural events revenues are decreasing \$5,000 relative to the fiscal year 2017-18 original budget due to fewer artists participating due to increased private competition. Youth sports revenue is decreasing \$1,000 relative to the fiscal year 2017-18 original budget due to cancelling karate classes for low participation. Advertising revenues are decreasing \$1,400 due to fewer businesses buying ads. Adult sports league revenues are increasing due to increased fees and adding kickball leagues. Adult fitness revenues are decreasing \$5,000 relative to the fiscal year 2017-18 original budget due to less participation due to private competition.

Program supplies are decreasing \$2,000 relative to the fiscal year 2017-18 original budget due to lower participation. Contracted worker services are decreasing \$10,000 relative to the fiscal year 2017-18 original budget due to lower participation as it is based on a percentage of revenues.

The future years' estimated use of fund balance is significant however depreciation expense exceeds use of fund balance annually therefore available cash is estimated to be sufficient if revenues/expenses projections are somewhat accurate.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	531,941	444,411	403,151	355,641	301,171	239,531
Revenues and transfers from other funds	585,500	587,200	587,200	587,200	587,200	587,200
Expenditures and transfers to other funds	673,030	628,460	634,710	641,670	648,840	657,240
Net Change in Net Assets	(87,530)	(41,260)	(47,510)	(54,470)	(61,640)	(70,040)
Ending Unrestricted Net Assets	444,411	403,151	355,641	301,171	239,531	169,491

Revenues

508.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	586,470	1,280	0	0	587,750
2015-2016 Actual	0	0	580,650	1,580	0	0	582,230
2016-2017 Actual	0	0	600,960	2,920	0	63,930	667,810
2017-2018 Original Budget	0	0	594,600	1,000	0	0	595,600
2017-2018 Adjusted Budget (Dec)	0	0	594,600	1,000	0	0	595,600
2017-2018 Six Month Actual	0	0	211,100	1,800	0	0	212,900
2017-2018 Estimated Year End	0	0	582,500	3,000	0	0	585,500
2018-2019 Dept Request	0	0	585,200	2,000	0	0	587,200
2018-2019 Manager's Budget	0	0	585,200	2,000	0	0	587,200
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	585,200	2,000	0	0	587,200
2020-2021 Projected Budget	0	0	585,200	2,000	0	0	587,200
2021-2022 Projected Budget	0	0	585,200	2,000	0	0	587,200
2022-2023 Projected Budget	0	0	585,200	2,000	0	0	587,200

Expenditures

508.751 RECREATION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	302,150	19,340	0	232,520	0	554,010
2015-2016 Actual	323,870	17,730	0	212,150	0	553,750
2016-2017 Actual	73,600	15,970	0	217,180	15,820	322,570
2017-2018 Original Budget	218,730	23,000	0	230,980	93,830	566,540
2017-2018 Adjusted Budget (Dec)	218,730	23,000	0	230,980	93,830	566,540
2017-2018 Six Month Actual	108,270	12,390	0	104,210	0	224,870
2017-2018 Estimated Year End	254,490	21,000	0	215,710	93,830	585,030
2018-2019 Dept Request	214,290	21,000	0	209,670	95,500	540,460
2018-2019 Manager's Budget	214,290	21,000	0	209,670	95,500	540,460
2018-2019 Approved Budget						
2019-2020 Projected Budget	220,370	21,000	0	210,340	95,000	546,710
2020-2021 Projected Budget	226,640	21,000	0	211,030	95,000	553,670
2021-2022 Projected Budget	233,100	21,000	0	211,740	95,000	560,840
2022-2023 Projected Budget	239,770	21,000	0	212,470	96,000	569,240

508.752 SALTER COMMUNITY CENTER	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	90,580	0	90,580
2015-2016 Actual	0	0	0	87,010	0	87,010
2016-2017 Actual	0	0	0	87,150	0	87,150
2017-2018 Original Budget	0	0	0	88,000	0	88,000
2017-2018 Adjusted Budget (Dec)	0	0	0	88,000	0	88,000
2017-2018 Six Month Actual	0	0	0	44,010	0	44,010
2017-2018 Estimated Year End	0	0	0	88,000	0	88,000
2018-2019 Dept Request	0	0	0	88,000	0	88,000
2018-2019 Manager's Budget	0	0	0	88,000	0	88,000
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	0	88,000	0	88,000
2020-2021 Projected Budget	0	0	0	88,000	0	88,000
2021-2022 Projected Budget	0	0	0	88,000	0	88,000
2022-2023 Projected Budget	0	0	0	88,000	0	88,000

Cost Center Position Detail - Home Base

Full & Part-time Employees

Recreation		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Director of Rec & Public Srvs		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Superintendent - Recreation		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
CS III - Recreation		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Recreation - MC III		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Full-time Total		2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		2.2	2.2	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		4.2	4.2	2.0	2.0	2.0	2.0	2.0	2.0	2.0

The mission of the auto parking fund is to provide ample auto parking opportunity in the business and entertainment areas to support the demands.

The auto parking system builds and maintains the on and off street paid parking throughout the business area of the city, primarily in the central business district. The system's goal is to provide ample auto parking to encourage development. Parking must be easily accessible to our wide range of commercial establishments like offices, retail business, restaurants and entertainment venues from morning to night. This enterprise fund charges parking fees in order to be self-supporting.

The city commission decides rates and the number of parking spots to allow based on

recommendations from the Downtown Development Authority. There are approximately 3500 spaces managed overall: The city utilizes a private contractor to operate the parking garages in an effort to improve service and reduce costs.

Parking rates were increased in late 2010 and multi-rate meters were installed. Spaces are metered on the street and in lots, and metered or attended in parking decks. Monthly pass rates were increased in March 2018. Drivers are able to pay rates based on time spent or purchase monthly permits from the treasurer.

Operations have two divisions: parking operations and enforcement.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The new parking deck opened at Center and 2nd streets. Revenue will be impacted by the loss of some surface lots during the Royal Oak Civic Center project construction period. This loss will be offset in future years by the new 11 Mile parking structure. The transfer in from the DDA TIFA fund is budgeted at \$580,790 to cover 50% of the Center Street debt payment. A \$16.5 million revenue bond will be issued in late fiscal year 2017-18 for the construction of the new 11 Mile parking structure.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets*	10,490,398	21,761,298	3,717,258	4,336,098	4,813,328	5,258,368
Revenues and transfers from other funds	21,077,980	4,890,790	5,543,790	5,543,790	5,543,790	5,543,790
Expenditures and transfers to other funds	9,807,080	22,934,830	4,924,950	5,066,560	5,098,750	5,135,620
Net Change in Net Assets	11,270,900	(18,044,040)	618,840	477,230	445,040	408,170
Ending Unrestricted Net Assets*	21,761,298	3,717,258	4,336,098	4,813,328	5,258,368	5,666,538

Revenues

516.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	3,825,450	3,650	31,860	1,044,520	4,905,480
2015-2016 Actual	0	0	3,951,280	2,700	30,190	526,180	4,510,350
2016-2017 Actual	0	0	3,922,810	4,670	42,320	507,080	4,476,880
2017-2018 Original Budget	0	0	3,724,500	4,000	27,000	803,000	4,558,500
2017-2018 Adjusted Budget (Dec)	0	0	3,836,500	4,000	12,727,000	827,800	17,395,300
2017-2018 Six Month Actual	0	0	1,884,690	0	760	665,710	2,551,160
2017-2018 Estimated Year End	0	0	3,744,490	4,000	16,527,000	802,490	21,077,980
2018-2019 Dept Request	0	0	4,279,000	4,000	27,000	580,790	4,890,790
2018-2019 Manager's Budget	0	0	4,279,000	4,000	27,000	580,790	4,890,790
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	4,932,000	4,000	27,000	580,790	5,543,790
2020-2021 Projected Budget	0	0	4,932,000	4,000	27,000	580,790	5,543,790
2021-2022 Projected Budget	0	0	4,932,000	4,000	27,000	580,790	5,543,790
2022-2023 Projected Budget	0	0	4,932,000	4,000	27,000	580,790	5,543,790

The mission of the parking enforcement division is to encourage auto parking opportunity in the central business district by enforcing parking regulations.

In the parking fund, the police department budgets for its parking enforcement

division of twelve parking enforcement officers. These employees write tickets for expired meters and other parking violations.

In the general fund, the district court adjudicates the violations and collects the fines.

GOALS

1. Encourage compliance with all parking regulations to continue to enforce parking regulations.

OBJECTIVES

Performance Indicators / Outcome Measures

	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Actual 2017</u>	<u>Projected 2018</u>	<u>Projected 2019</u>	<u>Projected 2020</u>
Violations Issued	86,955	75,627	67,537	70,000	70,000	70,000

Note: Performance indicators are reported on a calendar year basis as opposed to a fiscal year

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Part-time wages are increasing due to filling additional parking enforcement officer positions. Uniforms are increasing \$2,500 for newer employees. Miscellaneous operating supplies are decreasing \$88,000 due to purchasing handheld devices and software in fiscal year 2017-18. Equipment repair and maintenance is decreasing \$11,000 relative to the fiscal year 2017-18 original budget as the handheld devices included a warranty so less will be spent on maintenance in the few years after the purchase.

Budget Summary

Expenditures

516.316 PARKING ENFORCEMENT	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	206,080	1,970	0	29,570	0	237,620
2015-2016 Actual	202,100	910	0	25,870	0	228,880
2016-2017 Actual	228,250	130	0	14,160	0	242,540
2017-2018 Original Budget	215,270	3,500	0	35,890	0	254,660
2017-2018 Adjusted Budget (Dec)	215,270	3,500	0	35,890	0	254,660
2017-2018 Six Month Actual	95,230	130	0	12,440	0	107,800
2017-2018 Estimated Year End	193,210	1,000	0	112,890	0	307,100
2018-2019 Dept Request	217,160	3,500	0	23,580	0	244,240
2018-2019 Manager's Budget	217,160	3,500	0	23,580	0	244,240
2018-2019 Approved Budget						
2019-2020 Projected Budget	222,490	3,500	0	23,670	0	249,660
2020-2021 Projected Budget	227,960	3,500	0	23,760	0	255,220
2021-2022 Projected Budget	233,590	3,500	0	23,860	0	260,950
2022-2023 Projected Budget	239,350	3,500	0	23,960	0	266,810

Cost Center Position Detail- Home Base

Full & Part-time Employees

Parking Enforcement		Fiscal Year							
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Part-Time Positions (FTEs)									
Part-Time Positions	5.8	5.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Part-Time Total	5.8	5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0

The mission of the parking operation cost center is to create and maintain auto parking spaces and meters and to collect the fees paid.

The department of public services (DPS) parking division builds and maintains all spaces and collects parking fees. DPS employs three full-time staff and various part-time staff. A parking contractor operates the three parking decks.

GOALS

1. To insure that all meters are properly operating.
2. To promote the use of parking garages.
3. To integrate new parking technology where it makes business sense

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Building repairs and maintenance includes \$16,000 for surface coating and tuck pointing at the 4th Street garage and \$13,000 for concrete repairs at the Center Street Garage. \$30,000 is budgeted for parking meter parts, a \$35,000 decrease relative to the fiscal year 2017-18 original budget based on historical actuals. Coin counting services are increasing \$1,300 relative to the fiscal year 2017-18 original budget due to an increase in the price of armored car service. Contracted services are budgeted to increase \$13,000 relative to the fiscal year 17-18 projection due to an escalator in the parking management contract. Miscellaneous operating supplies is increasing \$15,000 to purchase two charging stations, lease two charging stations, and the installation. Equipment repairs includes \$45,000 for wall repairs at the Center Street and Catalpa Drive parking lot. Bank fees are increasing \$60,000 relative to the fiscal year 2017-18 original budget based on the cost of credit card fees. \$40,000 is budgeted for pay stations at the Etkin parking lot and \$25,000 is budgeted for parking meter replacement.

Budget Summary

Expenditures

516.570 AUTO PARKING	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	593,900	51,710	572,120	1,963,420	1,007,560	4,188,710
2015-2016 Actual	712,050	36,700	541,470	1,732,510	900,280	3,923,010
2016-2017 Actual	(391,050)	25,490	69,470	689,320	1,630,370	2,023,600
2017-2018 Original Budget	379,500	65,800	75,000	899,280	1,916,310	3,335,890
2017-2018 Adjusted Budget (Dec)	379,500	65,800	75,000	899,280	1,916,310	3,335,890
2017-2018 Six Month Actual	128,000	7,080	237,520	354,750	827,060	1,554,410
2017-2018 Estimated Year End	330,360	37,130	25,000	796,360	1,711,130	2,899,980
2018-2019 Dept Request	354,650	56,650	65,000	1,184,970	2,499,320	4,160,590
2018-2019 Manager's Budget	354,650	56,650	65,000	1,184,970	2,499,320	4,160,590
2018-2019 Approved Budget						
2019-2020 Projected Budget	364,710	56,650	50,000	1,323,930	2,880,000	4,675,290
2020-2021 Projected Budget	375,120	56,650	50,000	1,469,570	2,860,000	4,811,340
2021-2022 Projected Budget	385,910	56,650	50,000	1,507,240	2,838,000	4,837,800
2022-2023 Projected Budget	397,080	56,650	50,000	1,547,080	2,818,000	4,868,810

Cost Center Position Detail - Home Base

Full & Part-time Employees

Auto Parking		Fiscal Year							
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
Traffic Service Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parking Meter Technician	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Full-time Total	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	0.7	0.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	3.7	3.7	3.0	3.0	3.0	3.0	3.0	3.0	3.0

The mission of the auto parking construction cost center is to track and fund parking

projects included in the capital improvement plan.

GOALS

OBJECTIVES

1. Maintain a long term auto parking program that maximizes funds to extend and enhance the life of the city's parking system.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The following capital project for this fund for fiscal year 18-19 is as follows (Deviates from CIP): Approximately \$2 million of cash balance will be used for the construction of the 11 Mile parking structure.

- 11 Mile / ROCC Parking Structure Construction 18,500,000
- Four Charging Stations 30,000

FY2018-19 Total:

\$18,530,000

Budget Summary Expenditures

516.901 CONSTRUCTION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	0	0
2015-2016 Actual	0	0	0	0	0	0
2016-2017 Actual	0	0	0	0	0	0
2017-2018 Original Budget	0	0	0	21,900,000	0	21,900,000
2017-2018 Adjusted Budget (Dec)	0	0	0	21,900,000	0	21,900,000
2017-2018 Six Month Actual	0	0	0	5,875,970	0	5,875,970
2017-2018 Estimated Year End	0	0	0	6,600,000	0	6,600,000
2018-2019 Dept Request	0	0	0	18,530,000	0	18,530,000
2018-2019 Manager's Budget	0	0	0	18,530,000	0	18,530,000
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	0	0	0	0
2020-2021 Projected Budget	0	0	0	0	0	0
2021-2022 Projected Budget	0	0	0	0	0	0
2022-2023 Projected Budget	0	0	0	0	0	0

The mission of the Royal Oak Farmers Market is to provide an excellent and economical facility providing a sustainable place to attract local merchants, shoppers, public and private rental events and showcase the Royal Oak downtown.

The Royal Oak Farmers Market sells locally grown produce and wares in a family oriented venue. The farmers market is located in the civic center at the corner of 11 Mile Road and Troy Street, across from the library and adjacent to the 44th District Court.

The farmers market is one of southeast Michigan's premium farm market venues. Farm producers sell on Friday during the farm season (May through Christmas) and Saturday all year around. During growing season farmers are only allowed to sell what they grow.

Residents of the City of Royal Oak and surrounding communities are attracted downtown to a first class venue with ample parking. Beside its well-rounded farmers market, offering the best of the state's harvest, the building hosts a weekly, highly rated, long running antiques and collectibles show, every Sunday all year round.

The enclosed building provides a great gathering place, in any weather conditions, for large group events such as the Memorial Day pancake breakfast and the city's holiday tree lighting ceremony.

Designed to make a profit (meaning generating enough revenue to exceed expenses to be self-sustaining), the market uses an enterprise fund with one cost center named market operations. Funds necessary to operate the farmers market are derived solely from revenues collected. Operation of the market does not put any burden on the general fund.

The farmers market is run by a contracted market management company, under direction of the director of recreation and public services.

Its operating costs include limited DPS personnel cost, depreciation for the building and equipment, advertising, general administration, utilities, supplies, repairs and maintenance.

Greater rental availability has generated additional funds that allow continued updates to the building. A concessionaire leases the kitchen, eliminating the concession cost center.

GOALS

1. Provide an exciting center piece for local economic activity.
2. Fully integrate with city planning to create a facility reflecting the needs and interests of the community.
3. Support community based events.
4. Create and encourage special events to include local participants of all ages.

OBJECTIVES

- In 2018-19 the Royal Oak Farmers Market is restructuring the internal vendor layout to maximize space. This will allow more farmers/vendors to participate, to enhance the overall shopping experience.^{GOAL1}
- Implement new steps to help shoppers and attendees with parking and loading issues during the new downtown civic center construction.^{GOAL2}

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
GOAL ¹ Customer Attendance Rate Saturday and Sunday Combined	4,100	4,500	3,000	6,000	6,000	6,000
GOAL ¹ Facility Rentals	73	77	42	85	85	85
GOAL Average Vendor Occupancy Rate						
Saturday Farm Market	95%	99%	99%	100%	100%	100%
Average Sunday Antique Market	95%	98%	98%	100%	100%	100%

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The Royal Oak Civic Center project has the potential to impact market operations during the coming fiscal year however the impact is uncertain. The budget was prepared as if there will not be an impact on operations.

Annual rental-producers revenue is increasing \$5,000 relative to the fiscal year 2017-18 original budget due to an increase in the number of vendors. Special events revenue is increasing \$8,000 relative to the fiscal year 2017-18 original budget due to additional events anticipated. Flea market revenue is increasing \$3,000 relative to the fiscal year 2017-18 projection due to days that were lost due to the Christmas holiday being on the weekend in 2017-18. Facility rentals are increasing \$20,000 relative to the fiscal year 2017-18 original budget due to increased demand for outside events demonstrated. Contracted worker services are increasing \$30,000 relative to the fiscal year 2017-18 original budget due to an increase in labor costs based on an increased number of facility rentals. Lighting supplies are decreasing \$1,500 relative to the fiscal year 2017-18 projection due to one-time expense to change out lighting. Heating and cooling repairs are decreasing \$1,900 relative to the fiscal year 2017-18 projection due to recent furnace repairs. Advertising costs are increasing \$1,000 due to using additional social media advertising.

Depreciation expense is approximately \$73,000 and when combined with the capital budget the operating revenue and expenses are equal. The future years' estimates do not include any capital improvements.

The following capital improvement project(s) are budgeted for the farmer's market for fiscal year 18-19:

- West porch enclosure / 11Mile Awning 30,000
- Outside heating elements 18,000

FY2018-19 Total: **\$48,000**

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	625,980	521,090	409,990	338,760	259,210	171,160
Revenues and transfers from other funds	513,260	513,500	513,500	513,500	513,500	513,500
Expenditures and transfers to other funds	618,150	624,600	584,730	593,050	601,550	610,260
Net Change in Net Assets	(104,890)	(111,100)	(71,230)	(79,550)	(88,050)	(96,760)
Ending Unrestricted Net Assets	521,090	409,990	338,760	259,210	171,160	74,400

Revenues

551.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	497,770	2,420	2,650	0	502,840
2015-2016 Actual	0	0	491,740	3,600	4,000	0	499,340
2016-2017 Actual	0	0	479,230	3,460	9,650	7,390	499,730
2017-2018 Original Budget	0	0	477,000	3,000	3,000	0	483,000
2017-2018 Adjusted Budget (Dec)	0	0	477,000	3,000	3,000	0	483,000
2017-2018 Six Month Actual	0	0	311,330	2,690	4,500	0	318,520
2017-2018 Estimated Year End	0	0	499,500	4,290	9,470	0	513,260
2018-2019 Dept Request	0	0	503,500	5,000	5,000	0	513,500
2018-2019 Manager's Budget	0	0	503,500	5,000	5,000	0	513,500
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	503,500	5,000	5,000	0	513,500
2020-2021 Projected Budget	0	0	503,500	5,000	5,000	0	513,500
2021-2022 Projected Budget	0	0	503,500	5,000	5,000	0	513,500
2022-2023 Projected Budget	0	0	503,500	5,000	5,000	0	513,500

Expenditures

551.545 FARMERS MARKET	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	8,440	7,600	0	454,970	0	471,010
2015-2016 Actual	11,660	6,570	15,400	493,200	0	526,830
2016-2017 Actual	(4,270)	7,260	12,050	524,430	0	539,470
2017-2018 Original Budget	6,090	9,500	0	535,900	0	551,490
2017-2018 Adjusted Budget (Dec)	6,090	9,500	40,000	535,900	0	591,490
2017-2018 Six Month Actual	2,520	4,260	13,390	271,250	0	291,420
2017-2018 Estimated Year End	6,010	9,500	38,430	564,210	0	618,150
2018-2019 Dept Request	5,810	9,500	48,000	561,290	0	624,600
2018-2019 Manager's Budget	5,810	9,500	48,000	561,290	0	624,600
2018-2019 Approved Budget						
2019-2020 Projected Budget	5,970	9,500	0	569,260	0	584,730
2020-2021 Projected Budget	6,140	9,500	0	577,410	0	593,050
2021-2022 Projected Budget	6,310	9,500	0	585,740	0	601,550
2022-2023 Projected Budget	6,490	9,500	0	594,270	0	610,260

The mission of the water & sewer function is to provide the City of Royal Oak residents and businesses with water supply and sewage disposal services that support a high quality of life.

The City of Royal Oak purchases water from the Southeastern Oakland County Water Authority (SOCWA) and pays the Oakland County Water Resources Commission for the treatment of sewage. Both in turn, contract with the Great Lakes Water Authority (GLWA) which first provides treated water from the Great Lakes and later treats our sewerage before returning it downstream.

The water and sewer fund uses seven cost centers to categorize its activities: engineering, administration, water billing, water maintenance,

meter services, sewer maintenance and construction.

Revenues for these operations are generated based on the amount of water used by Royal Oak's residential and commercial customers.

Most revenue is generated through two-tiered user charges. The water commodity rate is budgeted to increase 2% based upon passing along a 2.55% increase from SOCWA for water. The sewer commodity rate is budgeted to decrease 14.6% based upon the net effect of a 1.6% increase from Oakland County Water Resources Commission for sewage disposal and the increased revenue generated from the new drain debt levy of 1.1360 mills. Flat rate billing is budgeted to remain constant at \$11.25 per quarter for the purpose of recouping the city's water billing costs.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	1,539,552	2,971,452	2,828,742	1,930,412	1,873,562	1,734,892
Revenues and transfers from other funds	32,677,100	31,126,000	32,998,700	34,434,790	35,942,680	37,525,970
Expenditures and transfers to other funds	31,245,200	31,268,710	33,897,030	34,491,640	36,081,350	37,424,330
Net Change in Net Assets	1,431,900	(142,710)	(898,330)	(56,850)	(138,670)	101,640
Ending Unrestricted Net Assets	2,971,452	2,828,742	1,930,412	1,873,562	1,734,892	1,836,532

Revenues

592.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	25,726,430	12,780	99,900	66,490	25,905,600
2015-2016 Actual	0	0	30,647,200	14,110	100,000	4,410,520	35,171,830
2016-2017 Actual	0	0	31,541,110	5,720	175,600	2,477,970	34,200,400
2017-2018 Original Budget	0	0	32,762,400	1,000	6,080,000	0	38,843,400
2017-2018 Adjusted Budget (Dec)	0	0	32,762,400	1,000	6,080,000	0	38,843,400
2017-2018 Six Month Actual	0	0	17,183,650	17,270	50,320	0	17,251,240
2017-2018 Estimated Year End	0	0	32,366,000	30,000	281,100	0	32,677,100
2018-2019 Dept Request	2,852,000	0	28,154,000	30,000	90,000	0	31,126,000
2018-2019 Manager's Budget	2,852,000	0	28,154,000	30,000	90,000	0	31,126,000
2018-2019 Approved Budget							
2019-2020 Projected Budget	2,852,000	0	30,026,700	30,000	90,000	0	32,998,700
2020-2021 Projected Budget	2,852,000	0	31,462,790	30,000	90,000	0	34,434,790
2021-2022 Projected Budget	2,852,000	0	32,970,680	30,000	90,000	0	35,942,680
2022-2023 Projected Budget	2,852,000	0	34,553,970	30,000	90,000	0	37,525,970

The mission of the engineering cost center of the water & sewer fund is to provide for general water and sewer engineering services that are related to projects.

The engineering department evaluates problem sewers throughout the year then coordinates major replacements for those sewers where

failures are threatened or occurring, or where street repairs are planned. These costs usually are charged to specific projects and capitalized. Any non-project costs for engineering services are charged here. This would include attending meetings that are not project specific.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Transfers out to capital projects fund is decreasing to zero as transfers for most capital funds are phasing out and will be accounted for in this fund's construction cost center instead.

GOALS

1. Develop a sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.
2. Ramp up the expenditure on water main improvements to complete the CIP public water system master plan improvements by 2020.

OBJECTIVES

Budget Summary

Expenditures

592.447 ENGINEERING	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	96,340	0	0	4,358,030	0	4,454,370
2015-2016 Actual	38,270	0	0	4,347,690	0	4,385,960
2016-2017 Actual	10,680	0	0	1,407,960	0	1,418,640
2017-2018 Original Budget	40,470	0	0	82,900	0	123,370
2017-2018 Adjusted Budget (Dec)	40,470	0	0	82,900	0	123,370
2017-2018 Six Month Actual	14,550	0	0	10	0	14,560
2017-2018 Estimated Year End	26,110	0	0	83,800	0	109,910
2018-2019 Dept Request	31,330	0	0	800	0	32,130
2018-2019 Manager's Budget	31,330	0	0	800	0	32,130
2018-2019 Approved Budget						
2019-2020 Projected Budget	32,280	0	0	800	0	33,080
2020-2021 Projected Budget	33,260	0	0	800	0	34,060
2021-2022 Projected Budget	34,270	0	0	800	0	35,070
2022-2023 Projected Budget	35,320	0	0	800	0	36,120

The function of the administration cost center of the water & sewer fund is to pay all administrative costs including debt service and purchases of potable water.

The director of public services is responsible for the overall direction of this fund. The administration budget pays a portion of personnel services for the DPS director and the front office staff, purchased water, debt service and related administrative expenses.

Potable water is our largest single water expense. The city is a member of S.O.C.W.A., the Southeast Oakland County Water Authority. SOCWA is the regional intergovernmental agency that transports clean water from the Detroit Water and Sewerage Department system to its member cities.

Debt service is a large component of the budget. Depreciation expense must provide sufficient cash flow to pay debt principal. Other costs include general administration, information service, insurance and auditing cost.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The water and sewage commodity rates are budgeted to decrease 14% due to the new drain millage a source of revenue for the chapter 20 drain debt rather than sewage disposal fees. Flat rate billing is budgeted to remain constant at \$11.25 for the purpose of recouping the city's water billing costs. SOCWA is increasing water commodity rates by 2.55%. Depreciation is budgeted to increase slightly due to amortizing completed capital projects.

Budget Summary

Expenditures

592.536 WATER & SEWER ADMINISTRATION	Personnel Services	Supplies	Other	Debt	Total
2014-2015 Actual	0	0	7,190,410	789,330	7,979,740
2015-2016 Actual	0	0	7,758,550	766,670	8,525,220
2016-2017 Actual	0	0	9,873,370	558,230	10,431,600
2017-2018 Original Budget	0	0	7,906,720	2,440,020	10,346,740
2017-2018 Adjusted Budget (Dec)	0	0	7,906,720	2,441,740	10,348,460
2017-2018 Six Month Actual	0	0	3,894,150	709,410	4,603,560
2017-2018 Estimated Year End	0	0	7,977,470	1,454,820	9,432,290
2018-2019 Dept Request	0	0	8,136,370	1,300,500	9,436,870
2018-2019 Manager's Budget	0	0	8,136,370	1,300,500	9,436,870
2018-2019 Approved Budget					
2019-2020 Projected Budget	0	0	8,512,670	1,259,500	9,772,170
2020-2021 Projected Budget	0	0	8,907,640	1,187,000	10,094,640
2021-2022 Projected Budget	0	0	9,321,210	1,112,500	10,433,710
2022-2023 Projected Budget	0	0	9,753,340	1,056,500	10,809,840

The mission of the water billing cost center in the Water & Sewer Fund is to provide quality customer service along with efficient billing and collection services.

The water billing function is housed in the treasury department in city hall. This assists customers when they personally pay bills, by keeping the collection point in one place.

Billing staff solve water and sewer problems for customers by answering their questions and taking customer requests for service. They work daily with the department of public works (DPS) staff at the public service building to resolve these issues.

The treasury billing staff is the primary answer point to deal with setting up new accounts; meter reading, billing and collecting process; setting up “final” meter reads and preparing courtesy bills; and investigating water leaks and basement backups.

Utility accounts are billed four times annually. There are thirteen billing cycles and 1,500 to 2,000 bills are mailed out weekly. Payment on bills is typically due on Monday; three weeks after the bills are mailed.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Years 2018-2019:

Personnel costs are increasing due to a vacancy in fiscal year 2017-18 as well as the net effect of adding a full-time municipal clerk I and eliminating all part-time hours. The municipal clerk III position was changed to a utility billing specialist in late fiscal year 2017-18. Miscellaneous contracted services are increasing \$2,000 relative to the fiscal year 2017-18 original budget to including monthly shredding services and BS&A utility programming work. Printing expenses are decreasing \$4,000 relative to the fiscal year 2017-18 original budget based on actual activity. Postage expenses are increasing \$1,000 due to outsourcing delinquent mailings that were formerly done in house.

Budget Summary

Expenditures

592.537 WATER BILLING	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	103,510	0	0	47,930	0	151,440
2015-2016 Actual	129,780	0	0	52,740	0	182,520
2016-2017 Actual	163,340	1,420	0	44,990	0	209,750
2017-2018 Original Budget	177,560	200	0	58,750	0	236,510
2017-2018 Adjusted Budget (Dec)	177,560	200	0	58,750	0	236,510
2017-2018 Six Month Actual	64,710	0	0	16,770	0	81,480
2017-2018 Estimated Year End	135,360	200	0	57,200	0	192,760
2018-2019 Dept Request	201,410	200	0	57,700	0	259,310
2018-2019 Manager's Budget	201,410	200	0	57,700	0	259,310
2018-2019 Approved Budget						
2019-2020 Projected Budget	207,870	200	0	59,370	0	267,440
2020-2021 Projected Budget	214,550	200	0	61,080	0	275,830
2021-2022 Projected Budget	221,480	200	0	62,840	0	284,520
2022-2023 Projected Budget	228,660	200	0	64,660	0	293,520

Cost Center Position FTE Detail

Full & Part-time Employees

Water Billing		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Water Service - MCIII		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Water Billing MC I		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Utility Billing Specialist		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Full-Time Total		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		0.7	0.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		1.7	1.7	1.0	1.0	1.0	1.0	1.0	1.0	2.0

The mission of the water maintenance division of the water & sewer fund is to provide a clean, constant supply of water to homes and businesses, and to provide a sufficient pressure supply of water for fire protection.

The water service division of the department of public services has three full-time employees and one supervisor, who oversee both the water service, water maintenance and sewer activities.

The water maintenance activity is responsible for the maintenance of approximately 200 miles of water main throughout the community. There are many water conveyances it must maintain.

Water mains are the pressurized pipes that transmit water to the user. They are made of several materials, the most common being cast iron. They are subject to leaks and breaks due to stress, corrosion, and changes in water pressure because of seasonal demand. These breaks and leaks have to be pinpointed, dug up, and repaired. A new material, ductile iron, shows great promise in eliminating such problems.

Valves (or gates) are strategically located in various points throughout the transmission system. Usually spaced one or two blocks apart, they are used to isolate certain areas for repair or construction. These are subject to corrosion of bolts and packing, and must be periodically dug up and repaired.

Water services are the private lines that supply water from the city's water main to a house or business. Service lines also are made of different materials with copper being far superior. Copper services require little, if any, maintenance. Galvanized iron services eventually rust out and must be replaced. Services made of lead are a health hazard and should be replaced.

Royal Oak has over 1,400 hydrants of different ages and brands located strategically throughout the city. These suffer from vandalism, automobile accidents, and aging and must be repaired or dug up and replaced. The fire department also monitors their condition; malfunctions they find are reported to water maintenance division.

GOALS

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Personnel costs are increasing due to an increased work load and due to having all positions filled. Sand, gravel, and slag cost is increasing \$1,000 relative to the fiscal year 2017-18 original budget to an increase in price and work load. Clamps and couplings cost will increase \$3,000 relative to the fiscal year 2017-18 projection as this cost is cyclical and inventory will need to be restocked in fiscal year 2018-19. Equipment repairs are increasing \$1,000 relative to the fiscal year 2017-18 projection as no problems occurred and spending was less than expected. Training is increasing \$1,500 relative to the fiscal year 2017-18 projection for supervisor training and for continuing education credits. A \$54,000 transfer out to the grants fund is budgeted for the city's matching portion of the rain garden project. Motor pool charges are increasing based on estimated usage and rates.

Budget Summary

Expenditures

592.538 WATER MAINTENANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	1,216,110	76,670	0	593,810	0	1,886,590
2015-2016 Actual	1,335,220	113,030	0	602,140	0	2,050,390
2016-2017 Actual	211,300	128,120	0	591,840	0	931,260
2017-2018 Original Budget	814,630	132,900	0	707,060	0	1,654,590
2017-2018 Adjusted Budget (Dec)	814,630	132,900	0	707,060	0	1,654,590
2017-2018 Six Month Actual	361,100	39,270	0	277,010	0	677,380
2017-2018 Estimated Year End	813,660	130,250	0	703,690	0	1,647,600
2018-2019 Dept Request	847,200	133,200	54,000	853,990	0	1,888,390
2018-2019 Manager's Budget	847,200	133,200	54,000	853,990	0	1,888,390
2018-2019 Approved Budget						
2019-2020 Projected Budget	867,420	133,200	54,000	869,920	0	1,924,540
2020-2021 Projected Budget	888,360	133,200	54,000	886,160	0	1,961,720
2021-2022 Projected Budget	910,060	133,200	54,000	902,730	0	1,999,990
2022-2023 Projected Budget	932,520	133,200	54,000	919,630	0	2,039,350

Cost Center Position FTE Detail

Full & Part-time Employees

Water Maintenance	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
Water Service MC III	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water Maintenance Worker II	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Maintenance Worker II	4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Water Maintenance Worker	3.0	3.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5
Full-Time Total	12.0	8.0	7.0	7.0	7.0	7.5	7.5	7.5	7.5
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	1.0	1.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	13.0	9.0	7.0	7.0	7.0	7.5	7.5	7.5	7.5

The mission of the water service division of the water & sewer fund is to maintain the water connection and meters between the customer and the system to insure safety and fairness for both.

The water service division of the department of public services oversees the water service, water maintenance and sewer divisions.

There are approximately 24,100 water meters within the Royal Oak water system for which this division is responsible.

The water service division is responsible for reading of water meters for billing, performing investigations on high water bills, 24-hour

emergency call-out for leaking water meters, installing new water meters, investigating possible water service leaks, cross connection inspections.

The water service division also has a meter testing and replacement program. The division is presently in the process of installing the radio reading devices where possible. There is no additional direct cost to the homeowner for the installation of these meters.

The water service division is also presently converting older style remote readers over to a newer type.

GOALS

1. Maintain meters that are up to date to keep billing rates low.
2. Proactively locate potential water leaks to minimize loss and/or large customer bills.
3. Locate and eliminate cross connections to the system to protect all users.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Tools and hardware costs are increasing \$1,500 relative to the fiscal year 2017-18 budget as fewer tools were needed than anticipated in fiscal year 2017-18. Water meter and meter parts are increasing \$30,000 due to increasing construction requiring new meters. Contracted services are increasing \$5,000 relative to the fiscal year 2017-18 projection as the contractor that installs large meters will have to be bid out and an increase is expected. Equipment repairs are increasing \$2,000 relative to the fiscal year 2017-18 projection as there were no equipment problems in fiscal year 2017-18 so spending was less than anticipated.

Budget Summary

Expenditures

592.539 METER SERVICES	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	561,330	291,170	0	112,940	0	965,440
2015-2016 Actual	631,900	289,290	0	97,960	0	1,019,150
2016-2017 Actual	53,170	337,160	0	76,590	0	466,920
2017-2018 Original Budget	364,690	314,250	0	117,980	0	796,920
2017-2018 Adjusted Budget (Dec)	364,690	314,250	0	117,980	0	796,920
2017-2018 Six Month Actual	153,110	184,550	0	33,680	0	371,340
2017-2018 Estimated Year End	360,900	312,700	0	82,730	0	756,330
2018-2019 Dept Request	362,790	344,250	0	82,320	0	789,360
2018-2019 Manager's Budget	362,790	344,250	0	82,320	0	789,360
2018-2019 Approved Budget						
2019-2020 Projected Budget	371,660	344,250	0	82,820	0	798,730
2020-2021 Projected Budget	380,850	344,250	0	83,330	0	808,430
2021-2022 Projected Budget	390,360	344,250	0	83,850	0	818,460
2022-2023 Projected Budget	400,210	344,250	0	84,380	0	828,840

Cost Center Position FTE Detail

Full & Part-time Employees

Meter Services	Fiscal Year								
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Full-Time Positions									
DPS Supervisor - Water	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water Service Worker	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Superintendent - Water & Sewer	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-time Total	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0

The mission of the sewer maintenance cost center of the water & sewer fund is to keep sewer lines in top repair to minimize basement water conditions, and to respond quickly to calls for service if backups do occur.

The sewer maintenance division of the department of public service is responsible for the maintenance of approximately 300 miles of sewers throughout the City of Royal Oak. The city has a combined sanitary and storm system.

Over 85% of the amounts budgeted here are for contractual sewage disposal charges from the Oakland County Water Resources Commissioner. Our sewage passes through the George W. Kuhn Sewage Disposal System (GWKSDS). Next it gets transported by the City of Detroit system then treated and returned to the Great Lakes system. The other 15% of costs are local costs.

Sanitary sewer cleaning is designed to clean all sanitary sewers within the city by sewer jetting and eliminating most of the sewer back-up problems in the city's lines.

The city provides a 24 hours a day, 7 days a week, response to any basement water calls.

Maintenance and normal repairs are scheduled starting in the spring on catch basins, manholes and any sewer lines that have had problems. This work continues as long as weather permits. During the winter, the sewer personnel clean the tops of catch basins and inspect all of the sewer structures for repair. From this program, a repair list is made up for the construction repair season.

During severe snow storms the sewer division supports the highway division with equipment and manpower for the plowing of city streets. Also, during the winter months, the sewer division uses a power-rodding machine to rod or clean city sewer lines that have root growth problems. This power rod is in operation until our construction season begins.

The sewer division also handles all Miss Dig requests. This is a program set up by all utilities for the staking of utility lines before any digging occurs. This division stakes or paints all City of Royal Oak sewer mains and laterals, water mains, sewer service tie-in locations, and water curb shut-offs.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Tools and hardware are decreasing \$3,000 relative to the fiscal year 2017-18 projection due to large tools being replaced in fiscal year 2017-18. Sand, gravel and slag costs are increasing \$2,000 relative to the fiscal year 2017-18 projection due to an increased work load. Concrete supplies are increasing \$2,000 relative to the fiscal year 2017-18 original budget due to increased work load. Hauling services are increasing \$2,000 relative to the 2017-18 original budget due to increased need. Sewage disposal services are increasing 1.6% based on estimates from the drain commission. \$100,000 is budgeted for sewer fog treatment and \$640,000 is budgeted for sewer televising and root control work. Motor pool charges are decreasing based on estimated usage and rates.

Budget Summary

Expenditures

592.540 SEWER MAINTENANCE	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	692,640	39,180	0	12,098,200	0	12,830,020
2015-2016 Actual	854,250	52,360	0	12,891,540	0	13,798,150
2016-2017 Actual	96,380	50,530	0	13,204,140	0	13,351,050
2017-2018 Original Budget	613,280	57,000	0	13,978,820	0	14,649,100
2017-2018 Adjusted Budget (Dec)	613,280	57,000	0	13,978,820	0	14,649,100
2017-2018 Six Month Actual	245,650	20,510	0	5,871,090	0	6,137,250
2017-2018 Estimated Year End	593,030	60,910	0	13,884,210	0	14,538,150
2018-2019 Dept Request	628,230	60,710	0	13,817,710	0	14,506,650
2018-2019 Manager's Budget	628,230	60,710	0	13,817,710	0	14,506,650
2018-2019 Approved Budget						
2019-2020 Projected Budget	646,360	60,710	0	14,466,500	0	15,173,570
2020-2021 Projected Budget	665,130	60,710	0	15,147,660	0	15,873,500
2021-2022 Projected Budget	684,580	60,710	0	15,862,820	0	16,608,110
2022-2023 Projected Budget	704,710	60,710	0	16,613,660	0	17,379,080

Cost Center Position FTE Detail

Full & Part-time Employees

Sewer Maintenance		Fiscal Year							
	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Full-Time Positions									
DPS Supervisor - Sewer	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sewer Maintenance Worker II	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Sewer Maintenance Worker	5.0	4.0	4.0	4.0	4.0	4.0	4.0	6.0	6.0
Sewer Maintenance Worker (Temp)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-time Total	9.0	8.0	7.0	7.0	7.0	7.0	7.0	9.0	9.0
Part-Time Positions (FTEs)									
Part-Time Positions	0.8	0.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	9.8	8.8	7.0	7.0	7.0	7.0	7.0	9.0	9.0

The mission of the water and sewer construction cost center is to track and fund water and sewer related projects.

GOALS

1. Develop a sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.
2. Ramp up the expenditure on water main improvements to complete the CIP public water system master plan improvements by 2020.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The following capital improvement projects for FY2018-19 are as follows:

• CAP1720 Rain Gardens	\$41,000
• CAP1736 Green Infrastructure Study	5,000
• CAP1835 Woodland Ave Water Main Improvements	469,000
• CAP1908 14 Mile Road Water Main Improvements	569,000
• CAP1910 2019 Water Main Improvements	1,608,000
• CAP1935 Massoit Road Water Main Improvements	406,000
• CAP1985 Sewer Lining	772,000
• CAP1995 Spot Sewer Repairs	486,000

FY18-19 Total: **\$4,356,000**

Budget Summary

Expenditures

592.901 CONSTRUCTION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	0	0
2015-2016 Actual	14,370	60	0	2,610	0	17,040
2016-2017 Actual	5,940	690	0	2,990	0	9,620
2017-2018 Original Budget	189,610	0	10,375,390	0	0	10,565,000
2017-2018 Adjusted Budget (Dec)	189,610	0	10,375,390	0	0	10,565,000
2017-2018 Six Month Actual	114,570	110	0	1,182,790	0	1,297,470
2017-2018 Estimated Year End	3,160	0	4,565,000	0	0	4,568,160
2018-2019 Dept Request	106,600	0	4,249,400	0	0	4,356,000
2018-2019 Manager's Budget	106,600	0	4,249,400	0	0	4,356,000
2018-2019 Approved Budget						
2019-2020 Projected Budget	108,500	0	5,819,000	0	0	5,927,500
2020-2021 Projected Budget	110,460	0	5,333,000	0	0	5,443,460
2021-2022 Projected Budget	112,490	0	5,789,000	0	0	5,901,490
2022-2023 Projected Budget	114,580	0	5,923,000	0	0	6,037,580

The mission of the ice arena is to provide to both resident and regional skaters of all ages outstanding recreation programs on ice that are financially self-supporting.

A full menu of programs for ice skating and hockey are provided at the John Lindell Ice Arena. Skaters can enjoy open skating times, drop-in hockey, and freestyle sessions.

Whether you are a beginner looking for open public skating or an advanced figure skater or hockey player, programs are available for all ages. Programs are offered all year long.

A skating instructor might be a current Olympic-class athlete or coach because of the strength of skating training the Metro Detroit region.

The annual ice show is a crowd pleaser, providing friends and families a chance to see young skaters show off their skill.

Lindell Arena is the home arena for many teams and clubs: Royal Oak Hockey Club, Eagles Travel Hockey, New Edge Figure Skating Club, Royal Oak High School Figure Skating Club, Royal Oak Ravens High School Hockey, Shrine Knights High School Hockey, Far Flyers Hockey Team, TOT^2 Women's Hockey Team Division 5, TOT Women's Hockey Team Division 6, Detroit Women's Hockey League, Royal Oak Senior Hockey League.

Program offerings include:

Open public skating: times are available daily throughout the year for skaters of all ages.

Learn to skate program: the learn to skate program offers a wide range of classes to suit everyone's needs from ages 3 to adult. The program is a place to learn basic skating skills

and is a stepping-stone for hockey as well as freestyle, synchronized, and recreational skating.

Freestyle program: skaters must be members of the New Edge Figure Skating Club or a USFS member. Sessions are limited to the first 24 skaters signed in and paid.

Drop-in hockey: players are required to be at least 18 years of age and wear full equipment with a helmet.

High school varsity hockey: home to two varsity hockey programs, Royal Oak High School Ravens and Shrine Catholic High School Knights. Both are pay-to-play programs.

Royal Oak adult hockey league: the fall/winter league has 32 teams in 3 divisions and spring/summer league has 30 teams in 3 divisions.

Tournaments: The ice arena hosts multiple tournaments each year. Two Computware-Honeybaked AAA tournaments are hosted in September and October, The Warrior AAA tournament is in mid-October, The Bauer World Invite Girls Tier I tournament is in mid-November, and a Selects Hockey Tier II boy's tournament is held over Thanksgiving weekend.

Ice show: the annual ice show showcases the talents of New Edge Figure Skating Club skaters.

The ice arena operations are now contracted out to Suburban Ice Management. The \$1.4 million budget also pays all operational and building maintenance costs.

Most revenue to fund programs comes from rink rental fees. The bulk of the remaining receipts come from other fees: e.g. lessons, open freestyle and open skating fees.

GOALS

1. To provide excellent customer service.
2. To provide quality ice surfaces.
3. To provide and run programming to utilize ice available time.

OBJECTIVES

Performance Indicators / Outcome Measures

	<u>Actual FY15-16</u>	<u>Actual FY16-17</u>	<u>Dec 31 2017</u>	<u>Projected FY17-18</u>	<u>Projected FY18-19</u>	<u>Projected FY19-20</u>
Learn to Skate Participants	974	924	304	730	730	730
Number of Scheduled Hours Used Weekly (September – March)	237	228	230	230	235	235

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Open skating revenues are down \$10,000 relative to the fiscal year 2017-18 original budget due to offering fewer sessions. Ice lessons are down \$8,000 due to lower participation. Leagues and tournament revenues are increasing due to additional leagues using the rink. Skate rental revenues are decreasing \$2,000 due to the decrease in open skating. Building repairs and maintenance is decreasing \$15,000 as actual activity has been lower than expected. Advertising expenses are decreasing \$2,000 due to doing fewer ads. Equipment repairs and vehicle repairs are decreasing due to the newer Zambonis requiring less work. Building repairs are decreasing \$110,000 due to painting the arena in fiscal year 2017-18.

The estimated future budget provides for an increase in cash in future years however no capital needs are included, as this may change.

The following capital improvement project is budgeted for solid waste for FY2018-19:

- Condenser tower 75,000*(Cost deviates from CIP)

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	954,002	802,782	906,492	1,069,402	1,215,862	1,345,532
Revenues and transfers from other funds	1,514,500	1,530,000	1,530,000	1,530,000	1,530,000	1,530,000
Expenditures and transfers to other funds	1,665,720	1,426,290	1,367,090	1,383,540	1,400,330	1,417,480
Net Change in Net Assets	(151,220)	103,710	162,910	146,460	129,670	112,520
Ending Unrestricted Net Assets	802,782	906,492	1,069,402	1,215,862	1,345,532	1,458,052

Revenues

598.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	1,357,060	2,210	5,980	0	1,365,250
2015-2016 Actual	0	0	1,456,710	2,000	18,740	0	1,477,450
2016-2017 Actual	0	0	1,576,640	0	16,710	22,770	1,616,120
2017-2018 Original Budget	0	0	1,430,000	2,000	5,500	0	1,437,500
2017-2018 Adjusted Budget (Dec)	0	0	1,430,000	2,000	5,500	0	1,437,500
2017-2018 Six Month Actual	0	0	735,590	1,040	7,420	0	744,050
2017-2018 Estimated Year End	0	0	1,500,500	2,000	12,000	0	1,514,500
2018-2019 Dept Request	0	0	1,522,500	2,000	5,500	0	1,530,000
2018-2019 Manager's Budget	0	0	1,522,500	2,000	5,500	0	1,530,000
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	1,522,500	2,000	5,500	0	1,530,000
2020-2021 Projected Budget	0	0	1,522,500	2,000	5,500	0	1,530,000
2021-2022 Projected Budget	0	0	1,522,500	2,000	5,500	0	1,530,000
2022-2023 Projected Budget	0	0	1,522,500	2,000	5,500	0	1,530,000

Expenditures

598.758 ICE ARENA	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	20,610	68,780	0	1,250,850	0	1,340,240
2015-2016 Actual	23,390	88,120	0	1,232,490	0	1,344,000
2016-2017 Actual	13,100	75,490	0	1,234,800	3,160	1,326,550
2017-2018 Original Budget	12,930	108,750	164,000	1,251,600	18,760	1,556,040
2017-2018 Adjusted Budget (Dec)	12,930	108,750	164,000	1,361,600	18,760	1,666,040
2017-2018 Six Month Actual	5,650	50,980	0	641,900	13,980	712,510
2017-2018 Estimated Year End	12,860	80,440	235,000	1,318,660	18,760	1,665,720
2018-2019 Dept Request	12,040	79,100	75,000	1,241,050	19,100	1,426,290
2018-2019 Manager's Budget	12,040	79,100	75,000	1,241,050	19,100	1,426,290
2018-2019 Approved Budget						
2019-2020 Projected Budget	12,370	79,100	0	1,256,820	18,800	1,367,090
2020-2021 Projected Budget	12,710	79,100	0	1,272,930	18,800	1,383,540
2021-2022 Projected Budget	13,060	79,100	0	1,289,370	18,800	1,400,330
2022-2023 Projected Budget	13,430	79,100	0	1,306,150	18,800	1,417,480

INTERNAL SERVICE FUNDS

Internal service funds are established to finance and account for services and commodities furnished by a designated department or agency to other departments within a single government unit or to other governmental units.

Information Systems Fund - 636

Insurance Fund - 679

Motor Pool Fund – 661

Workers Compensation Insurance
Fund – 677

General Liability and Property

Health Care Fund – 678

The mission of the information technology department is to provide computer, telecommunications, software, security and other technology tools and services in support of the city's operational goals in the most efficient manner possible.

The information technology (IT) department researches, supports and coordinates technological solutions to keep the city's information technology functioning and performing consistently at expected levels. The IT staff continually strives to meet productivity gains and address the city's technology challenges.

Technology plays a critical support role in the city's ability to provide government services. The IT department is the city's central control center where proactively securing and managing the city's technology and data is a top priority. The job gets more complicated daily as new threats to security emerge and as information technology becomes more integrated across multiple platforms and networks. To best secure the city's critical resources from threats, two new positions will be created within the department. A Security Analyst will be hired with a primary responsibility of ensuring city resources are protected from existing and emerging cyber threats. A Network Engineer will be hired to perform critical infrastructure upgrades and insure critical data is routed in a secure manner. The department oversees application integration between the city and county, state and federal organizations and is responsible for the infrastructure that ties it all together.

The department manages a \$2 million technology budget and is responsible for servicing all city departments, the Royal Oak Public Library and the 44th District Court. The department is responsible for procurement and maintenance of more than 800 devices including networking switches and routers, servers, computers, printers, telephones, smart/cell phones, pagers, faxes, scanners, cameras, and other computer equipment and communication devices. Email, document storage and retrieval systems are maintained for approximately 450 user accounts and over 120 computer software applications at 14 different municipal locations, most of which are connected via the city's wide area network. The IT staff provides daily support in the following areas: help desk, hardware and network issues,

data and document management, project management, data and voice communications, and specialized application software.

The city's website annually serves over 1.3 million page requests from more than 500,000 visits. The most frequently accessed areas of the city's website are: Royal Oak Public Library, farmers market, Royal Oak Animal Shelter, job openings, 44th District Court, the agenda center, leaf collection and online payments. The top site search keywords are: "water bill", "farmers market", "call curbside leaf collection", "parking", "permits", "taxes", "birth certificate" and "trash". The most utilized devices to access the city's website are: desktop, smartphone and then tablet. The most utilized browsers are: Chrome, mobile Safari, Chrome mobile, Internet Explorer, Firefox, Safari then Microsoft Edge. The most common locations the site receives visitors from are: Royal Oak, Troy, Detroit, Madison Heights, Waterford, Oak Park, Rochester, Berkley then Ferndale.

Information technology is an internal service fund that uses cost allocation to expense all computer applications, licensing, software and hardware support and maintenance, and print shop costs to each user department/cost center.

The information technology plan is an ongoing and evolving strategy. It is a challenge to develop a technology plan that has enough foresight to envision the future. The plan needs to anticipate what new technology will be available and applicable to the city's needs, and to provide an adequate outline that presents an overview for decision making and allocation of funding for these improvements. It is important to review the plan periodically and to make it flexible enough to adapt to changes along the way. The plan is designed to address the levels of technology support for city-wide efficiency and assignment of priority to the targeted projects over a 3-5 year period.

GOALS

1. To maintain appropriate levels of network security to protect the city's critical business systems from security threats and respond to security threats in a prompt and effective manner.
2. To provide the city with cost-effective, dependable and accurate information services, which support both current and future business needs.
3. To provide city departments with strategic project planning and assistance as it relates to technology.
4. To enhance and maintain an effective communications network for city operations.
5. Infrastructure – To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.

OBJECTIVES

- Implement a new security analyst position within the department and deploy advanced threat protection to city devices.^{GOALS1,2}
- Implement a new network engineer position within the department and upgrade existing infrastructure, prepare network for new PD and city hall, expand network to provide wireless access.^{GOALS1,2,3,4}
- Deploy remote assistance software to allow for more timely support from vendors and I.T. staff.^{GOALS1,2,4}
- Implement an internal helpdesk solution to manage and track reported issues.^{GOALS2,3,4}
- Enhance existing GIS applications, continue to deliver new GIS capabilities and integrate select functionalities with the city website.^{GOALS2,3,4}
- Deliver additional Office365 services to city employees.^{GOALS1,2,3,4}
- Expand mobile device use to departments and continue PC replacement program.^{GOALS2,3,4}
- Deploy WiFi at the senior center by the end of the calendar year 2018.^{GOAL5}

Performance Indicators / Outcome Measures

	Actual FY15-16	Actual FY16-17	Dec 31 2017	Projected FY17-18	Projected FY18-19	Projected FY19-20
Network Connections						
Building Locations	13	13	13	13	13	13
PC's	418	447	454	460	465	470
LAN Services	14	14	14	16	16	16
AD, Email, Social Media Service						
User accounts	494	485	540	540	540	540
Group accounts	93	93	42	42	42	42
Social Media Accounts	13	17	20	22	22	22
Device Installs and upgrades						
PC's	45	78	34	60	60	60
Printers	52	84	5	5	4	4
Other	18	20	5	5	5	5
Telecommunications						
Telephones – VOiP	392	354	357	375	380	385
SIP/Channels	140	55	140	140	140	140
TDM Pri/Channels	1/23	1/23	1/23	1/23	1/23	1/23
Point to Point T1's/Channels	3/69	0	3/69	3/69	3/69	3/69
Adds, moves, changes	392	105	85	100-200	100-200	100-200
Voicemail accounts	268	280	281	285	290	295
Cell Phone Accounts	91	91	105	105	105	105
General						
# of PC Virus outbreaks	1	0	0	1	1	1

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The budget includes a full-time security analyst position and a full-time network engineer for the entire fiscal year. A security analyst will be hired with a primary responsibility of ensuring city resources are protected from existing and emerging cyber threats by deploying and maintaining anti-virus, desktop protection software and all other security related functions. A network engineer will be hired to perform critical infrastructure upgrades and insure critical data is routed in a secure manner. Part-time wages are increasing due to a rate increase for the print shop technician. \$50,000 is budgeted for the computer replacement program, \$20,000 is budgeted for upgrades to the library A/V equipment, and \$5,000 is budgeted for court e-filing. Computer supplies and parts are increasing \$7,500 for laptop replacements. Contracted services are increasing \$30,000 to create WROK applications for Apple TV and Roku; to purchase software to track boards and committees, to purchase agenda management software, and due to an increase in backup costs due to growth in the size of the city's network and data. The budget does not include any allocations for the civic center project as the costs are included in the project capital budget.

The estimated future year's budget summary demonstrates the fund is anticipated to remain stable with current revenue collection plan.

The following capital improvement projects for FY2018-19 are as follows:

Office Software and Training Program	\$48,000
Server-Network-Cabling Infrastructure	50,000
Mobile Workforce	8,000
GIS Integration	60,000
Disaster Recovery	75,000

FY2018-19 Total: \$241,000

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	1,032,516	691,676	458,226	379,946	329,536	324,016
Revenues and transfers from other funds	1,765,230	1,838,580	1,893,140	1,949,330	2,007,210	2,066,830
Expenditures and transfers to other funds	1,898,550	2,072,030	1,971,420	1,999,740	2,012,730	2,034,420
Net Change in Net Assets	(133,320)	(233,450)	(78,280)	(50,410)	(5,520)	32,410
Ending Unrestricted Net Assets	691,676	458,226	379,946	329,536	324,016	356,426

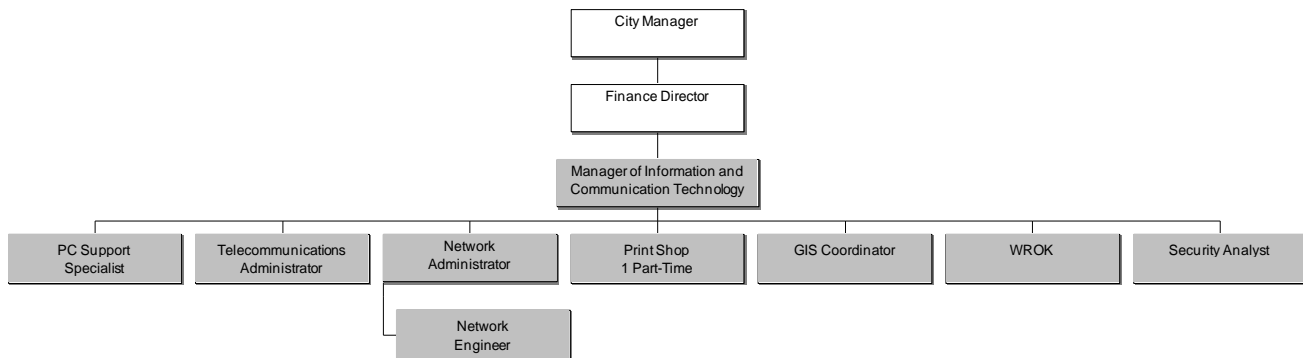
Revenues

636.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	6,200	1,146,900	0	1,153,100
2015-2016 Actual	0	0	0	7,520	1,436,950	0	1,444,470
2016-2017 Actual	0	0	0	13,110	1,746,660	0	1,759,770
2017-2018 Original Budget	0	0	0	10,000	1,745,230	0	1,755,230
2017-2018 Adjusted Budget (Dec)	0	0	0	10,000	1,745,230	0	1,755,230
2017-2018 Six Month Actual	0	0	0	9,070	872,610	0	881,680
2017-2018 Estimated Year End	0	0	0	20,000	1,745,230	0	1,765,230
2018-2019 Dept Request	0	0	0	20,000	1,818,580	0	1,838,580
2018-2019 Manager's Budget	0	0	0	20,000	1,818,580	0	1,838,580
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	0	20,000	1,873,140	0	1,893,140
2020-2021 Projected Budget	0	0	0	20,000	1,929,330	0	1,949,330
2021-2022 Projected Budget	0	0	0	20,000	1,987,210	0	2,007,210
2022-2023 Projected Budget	0	0	0	20,000	2,046,830	0	2,066,830

Expenditures

636.258 INFO SYSTEMS	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	565,420	112,030	0	539,590	0	1,217,040
2015-2016 Actual	239,210	49,800	0	564,780	0	853,790
2016-2017 Actual	185,410	57,950	7,900	744,970	15,430	1,011,660
2017-2018 Original Budget	532,790	154,500	321,000	851,020	75,070	1,934,380
2017-2018 Adjusted Budget (Dec)	532,790	154,500	321,000	851,020	75,070	1,934,380
2017-2018 Six Month Actual	225,520	28,430	16,170	397,690	55,940	723,750
2017-2018 Estimated Year End	496,180	154,000	321,000	852,300	75,070	1,898,550
2018-2019 Dept Request	682,980	112,000	241,000	893,160	142,890	2,072,030
2018-2019 Manager's Budget	682,980	112,000	241,000	893,160	142,890	2,072,030
2018-2019 Approved Budget						
2019-2020 Projected Budget	702,660	112,000	241,000	840,160	75,600	1,971,420
2020-2021 Projected Budget	722,980	112,000	249,000	840,160	75,600	1,999,740
2021-2022 Projected Budget	743,970	112,000	241,000	840,160	75,600	2,012,730
2022-2023 Projected Budget	765,660	112,000	241,000	840,160	75,600	2,034,420

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

Info Tech	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>									
Manager of Information and Communication Technology	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Data Base Administrator	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Network Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pc Support Specialist	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0
GIS Coordinator	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0
Telecommunications Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Info Tech - MC II	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Security Analyst	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Network Engineer	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Full-Time Total	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	7.0
<u>Part-Time Positions (FTEs)</u>									
Part-Time Positions	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	7.0

The mission of the motor pool is to provide a central location of accountability for the acquisition and maintenance of safe and efficient machinery, equipment and vehicles for city operations.

The motor pool division of the department of public service (DPS) is an internal citywide service unit responsible for fleet maintenance, repairs, fueling and vehicle / equipment acquisition, to keep citywide departments operational. The motor pool division insures that the city-owned fleet of machinery, equipment and vehicles remain in a safe and proper functioning condition. Scheduled preventative maintenance is performed.

Vehicle condition and criteria for replacement are also closely monitored to optimize long-term cost. The motor pool maintains its own computerized records and inventory. Gasoline, diesel fuel, auto and truck parts are inventoried and charged to the various departments when used.

Internal city departments are charged monthly or hourly user fees that include a replacement charge ensuring that funds will be available when replacement is due.

The motor pool manages over \$15 million in machinery, equipment and vehicles, consisting of 8 fire trucks, 4 ambulance units, 132 cars, vans and pickup trucks, 15 dump-trucks, 28 heavy construction vehicles and 7 trailers and specialty vehicles.

The division continually analyzes city-wide vehicle and equipment utilization; recommends, develops and refines specifications maximizing vehicle life cycle; and analyzes fleet composition in order to “right size” the fleet with a focus on reducing the total number of vehicles and equipment to the number that would provide the lowest overall fleet cost.

GOALS

1. Provide each department quality service.
2. Complete repairs in a timely manner by prioritizing each repair according to need and importance.
3. To maintain the fleet in a safe and proper functioning condition by providing a preventive maintenance program consistent with manufacturing recommendations.
4. To maintain an adequate level of parts and supplies while minimizing inventory costs.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

Motor pool charges are increasing due to a catch-up plan to collect depreciation that was not collected many years ago during an intentional depreciation (collection) vacation. This catch-up will help to provide the proper accumulation of funds that will be sufficient for the motor pool's future replacements.

Overtime is increasing \$30,000 relative to the fiscal year 2017-18 original budget due to increased vehicle maintenance work. Building Maintenance is increasing due to overhead garage door maintenance for \$3,000. Tools and hardware are increasing \$9,500 due to replacement equipment (floor jack, transmission jack, floor buffer, battery load tester and cold saw). Fuel is budgeted to increase \$200,000 relative to the fiscal year 2017-18 projection due to the market price being unpredictable. Vehicle blades are decreasing \$5,000 relative to the fiscal year 2017-18 projection due to heavy snowfall in fiscal year 2017-18 resulting in increased need for blades. Communication systems parts are decreasing \$8,500 due to one-time repairs in fiscal year 2017-18. Heating/cooling repairs are decreasing \$5,000 due to higher than expected maintenance costs in fiscal year 2017-18. Collision repairs are increasing relative to fiscal year 2017-18 projections as this account varies greatly based on the number of accidents and issues with vehicles.

The depreciation expense is approximately \$1.4 million annually when removing this expense the estimated future years outlook causes an increase in cash each year. This cash will be used for future vehicle replacement.

Additional capital projects include phase one of the DPS roof replacement for \$170,000 (\$450,000 total cost) and expansion of the brine tank due to increased use of liquid deicers for \$100,000. The following replacement vehicles for fiscal year 18-19 will be funded with the cash on-hand in the motor pool fund that accumulated by way of depreciation:

Electrical Aerial truck	\$207,900
Two small SUV's (bldg. & eng)	59,400
Sewer dump truck	201,500
Two highway pick-ups	69,500
Highway tandem dump	206,000
Three stake bed trucks (2)sewer (1)hwy	183,700
Parks Groundmaster mower	56,600
Compressor	19,200
Brush chipper	54,600
Leaf vacuum	40,200
Forklift	58,500
Parks tractor	39,600
Aerial lift	13,000
Two police admin sedans	61,000
Three police department patrol vehicles	127,200
Backhoe	124,200
Police department pick-up	40,000
Clam bucket for loader	12,000

FY2018-19 Total: \$1,574,100

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	3,422,883	1,598,839	563,319	(3,043)	(791,825)	(1,554,414)
Revenues and transfers from other funds	4,693,220	5,145,410	5,294,820	5,448,710	5,607,220	5,770,490
Expenditures and transfers to other funds	5,983,430	6,180,930	5,861,182	6,237,492	6,369,809	6,889,453
Net Change in Net Assets	(1,290,210)	(1,035,520)	(566,362)	(788,782)	(762,589)	(1,118,963)
Ending Unrestricted Net Assets	1,598,839	563,319	(3,043)	(791,825)	(1,554,414)	(2,673,377)

Revenues

661.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	42,420	4,382,150	35,000	4,459,570
2015-2016 Actual	0	0	0	47,060	4,385,470	80,000	4,512,530
2016-2017 Actual	0	0	0	56,360	4,536,240	255,340	4,847,940
2017-2018 Original Budget	0	0	0	40,000	4,458,330	0	4,498,330
2017-2018 Adjusted Budget (Dec)	0	0	0	40,000	4,458,330	0	4,498,330
2017-2018 Six Month Actual	0	0	0	40,240	2,456,080	0	2,496,320
2017-2018 Estimated Year End	0	0	0	100,000	4,593,220	0	4,693,220
2018-2019 Dept Request	0	0	0	100,000	5,045,410	0	5,145,410
2018-2019 Manager's Budget	0	0	0	100,000	5,045,410	0	5,145,410
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	0	100,000	5,194,820	0	5,294,820
2020-2021 Projected Budget	0	0	0	100,000	5,348,710	0	5,448,710
2021-2022 Projected Budget	0	0	0	100,000	5,507,220	0	5,607,220
2022-2023 Projected Budget	0	0	0	100,000	5,670,490	0	5,770,490

Expenditures

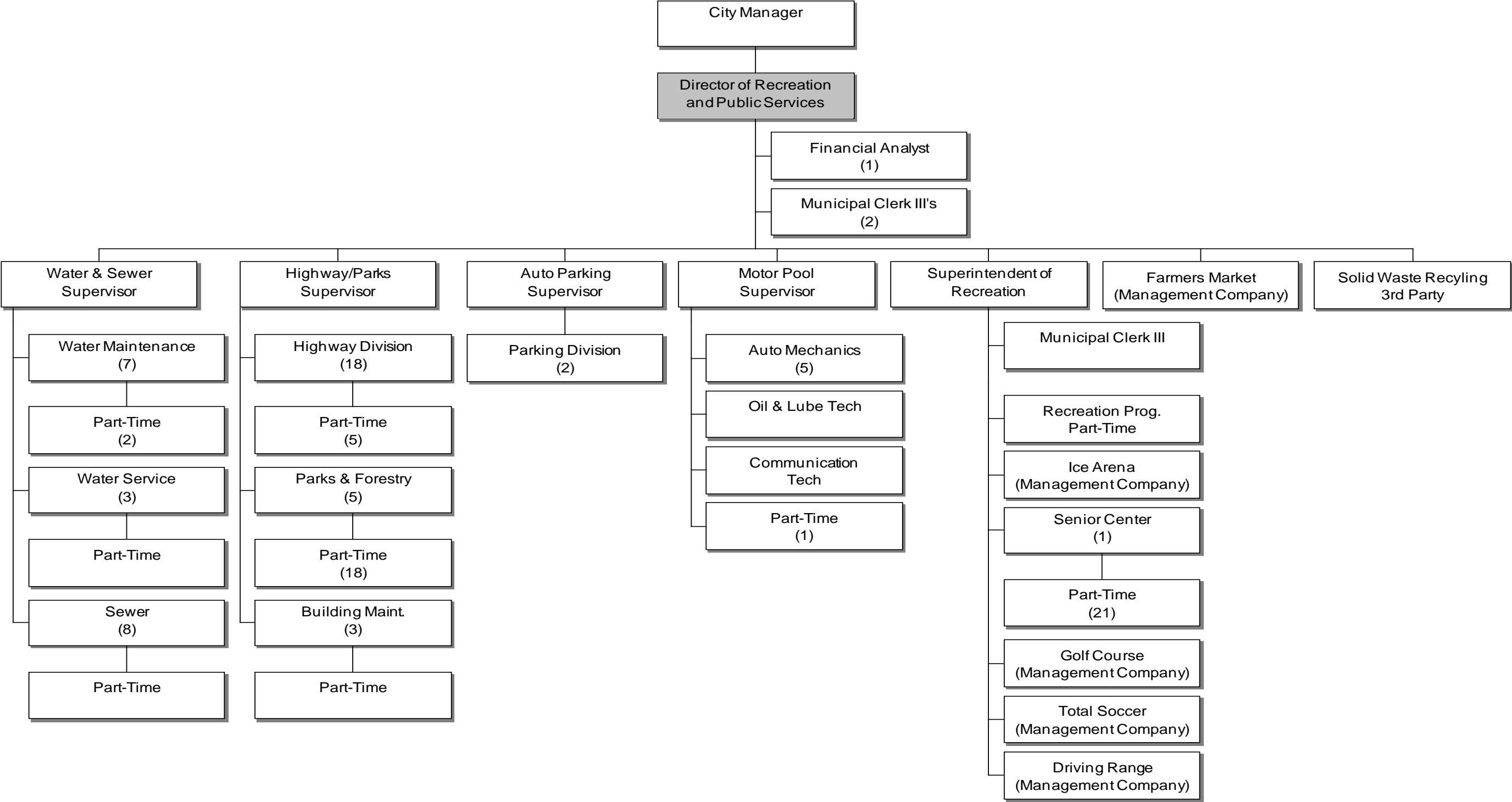
661.442 MOTOR POOL	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	1,177,190	822,970	87,170	1,231,090	97,800	3,416,220
2015-2016 Actual	1,262,800	692,790	125,390	1,450,100	88,700	3,619,780
2016-2017 Actual	612,920	650,090	54,040	1,822,890	139,190	3,279,130
2017-2018 Original Budget	882,390	972,200	1,994,500	1,688,160	502,520	6,039,770
2017-2018 Adjusted Budget (Dec)	882,390	967,200	1,999,500	1,688,160	502,520	6,039,770
2017-2018 Six Month Actual	452,280	316,100	181,590	923,920	345,490	2,219,380
2017-2018 Estimated Year End	917,320	788,420	2,020,080	1,755,040	502,570	5,983,430
2018-2019 Dept Request	965,190	990,020	1,844,100	1,896,520	485,100	6,180,930
2018-2019 Manager's Budget	965,190	990,020	1,844,100	1,896,520	485,100	6,180,930
2018-2019 Approved Budget						
2019-2020 Projected Budget	988,690	1,019,810	1,447,000	1,900,520	505,162	5,861,182
2020-2021 Projected Budget	1,012,970	1,050,520	1,770,000	1,904,640	499,362	6,237,492
2021-2022 Projected Budget	1,038,040	1,082,190	1,845,000	1,908,880	495,699	6,369,809
2022-2023 Projected Budget	1,063,910	1,114,870	2,303,000	1,913,240	494,433	6,889,453

Cost Center Position Detail - Home Base

Full & Part-time Employees

Motor Pool		Fiscal Year								
		10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
<u>Full-Time Positions</u>										
Superintendent - Motor Pool		1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Motor Pool Supervisor		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Budget Analyst		0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0
Automotive Mechanic		4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Communications Maintenance Tech		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Stock Clerk		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Oil and Lube Tech		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Service Facility Custodian		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Motor Pool - MC III		1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Full-Time Total		10.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
<u>Part-Time Positions (FTEs)</u>										
Part-Time Positions		1.3	1.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cost Center Total		11.3	10.3	9.0	9.0	9.0	9.0	9.0	9.0	9.0

Departmental Organization Chart



The mission of the worker's compensation fund is to account for all costs of worker's compensation claims.

The city is responsible for paying the costs of eligible worker's compensation claims from employees. It has elected to be "self-insured," bearing the burden of normal costs.

Reinsurance is purchased to limit losses by individual case and, annually, in the aggregate.

The human resources department receives and forwards employee claims from departments to an independent claims processor for professional

case management.

This fund pays the eligible costs of training, lost time, medical and indemnity, claims processor, reinsurance and legal fees, if any.

Funds and departments are charged a user charge based on worker's compensation insurance principals to fund this activity.

The city currently has a self-insured specific retention of \$600,000 with an employer's limit of \$1,000,000. The aggregate policy limit is \$5 million.

GOALS

1. Minimize worker's compensation claims through proper hiring, screening and employee safety training.
2. Provide supervisors with safety training so that, when accidents occur they protect the injured employee and record all pertinent circumstances regarding any potential claim.
3. Vigorously oppose lawsuits arising from ineligible worker's compensation claims.
4. Create equitable worker's compensation charge rates to other funds to maintain a proper fund balance.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

There are no significant changes for this fund.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	1,403,433	1,435,803	1,414,363	1,373,923	1,315,293	1,239,243
Revenues and transfers from other funds	409,370	357,990	340,990	324,840	309,500	294,930
Expenditures and transfers to other funds	377,000	379,430	381,430	383,470	385,550	387,670
Net Change in Net Assets	32,370	(21,440)	(40,440)	(58,630)	(76,050)	(92,740)
Ending Unrestricted Net Assets	1,435,803	1,414,363	1,373,923	1,315,293	1,239,243	1,146,503

Revenues

677.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	1,016,910	15,940	3,350	0	1,036,200
2015-2016 Actual	0	0	626,390	20,620	220,040	0	867,050
2016-2017 Actual	0	0	717,270	15,320	253,900	0	986,490
2017-2018 Original Budget	0	0	380,000	7,000	0	0	387,000
2017-2018 Adjusted Budget (Dec)	0	0	380,000	7,000	0	0	387,000
2017-2018 Six Month Actual	0	0	197,450	8,590	0	0	206,040
2017-2018 Estimated Year End	0	0	392,270	17,100	0	0	409,370
2018-2019 Dept Request	0	0	339,990	18,000	0	0	357,990
2018-2019 Manager's Budget	0	0	339,990	18,000	0	0	357,990
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	322,990	18,000	0	0	340,990
2020-2021 Projected Budget	0	0	306,840	18,000	0	0	324,840
2021-2022 Projected Budget	0	0	291,500	18,000	0	0	309,500
2022-2023 Projected Budget	0	0	276,930	18,000	0	0	294,930

Expenditures

677.871 WORKERS COMPENSATION	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	716,220	0	0	152,360	0	868,580
2015-2016 Actual	217,640	0	0	120,860	0	338,500
2016-2017 Actual	332,670	0	0	1,742,730	0	2,075,400
2017-2018 Original Budget	290,000	0	0	105,000	0	395,000
2017-2018 Adjusted Budget (Dec)	290,000	0	0	105,000	0	395,000
2017-2018 Six Month Actual	114,260	0	0	18,370	0	132,630
2017-2018 Estimated Year End	240,000	0	0	137,000	0	377,000
2018-2019 Dept Request	240,000	0	0	139,430	0	379,430
2018-2019 Manager's Budget	240,000	0	0	139,430	0	379,430
2018-2019 Approved Budget						
2019-2020 Projected Budget	242,000	0	0	139,430	0	381,430
2020-2021 Projected Budget	244,040	0	0	139,430	0	383,470
2021-2022 Projected Budget	246,120	0	0	139,430	0	385,550
2022-2023 Projected Budget	248,240	0	0	139,430	0	387,670

The mission of the health care fund is to account for all employee and retiree health care costs.

Effective April 2010, the city transitioned from an experienced rated contract to an administrative services contract (ASC) with Blue Cross Blue Shield (BCBS) of Michigan for healthcare for its employees and retirees. Under an ASC the city operates under a self-insured funded

arrangement making the city responsible for claims, fixed administrative fees and stop loss insurance. The city carries \$150,000 stop loss protection, administered on a per contract basis, rather than per family member. For certain retirees, the city continues to pay HAP insurance premiums as opposed to being self-insured. Currently, employees pay 20% of the BCBS illustrative rates into this fund.

GOALS

1. Manage city health related risks as efficiently and effectively as possible.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

BCBS illustrative *rates* for fiscal year 18-19 are budgeted to increase 12.8% for active employees and decrease 8.4% for retirees with BCBS. In addition, costs are budgeted to increase due to the addition of positions and a 2.1% increase for HAP premiums. The stop loss rate is decreasing 3%. A majority of the costs in this fund are for retiree coverage. \$10,000 is budgeted for the health & wellness committee's future initiatives and \$225,000 is budgeted for the collaborative health center an increase relative to prior years due to contract change.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	4,597,953	5,534,333	5,657,683	5,740,123	5,764,613	5,768,243
Revenues and transfers from other funds	10,518,880	10,638,850	10,842,720	11,050,680	11,262,790	11,479,140
Expenditures and transfers to other funds	9,582,500	10,515,500	10,760,280	11,026,190	11,259,160	11,497,400
Net Change in Net Assets	936,380	123,350	82,440	24,490	3,630	(18,260)
Ending Unrestricted Net Assets	5,534,333	5,657,683	5,740,123	5,764,613	5,768,243	5,749,983

Revenues

678.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	9,957,430	0	0	9,957,430
2015-2016 Actual	0	0	0	9,687,920	0	0	9,687,920
2016-2017 Actual	0	0	0	9,855,520	0	0	9,855,520
2017-2018 Original Budget	0	0	0	10,636,120	0	0	10,636,120
2017-2018 Adjusted Budget (Dec)	0	0	0	10,636,120	0	0	10,636,120
2017-2018 Six Month Actual	0	0	0	4,980,740	0	0	4,980,740
2017-2018 Estimated Year End	0	0	0	10,518,880	0	0	10,518,880
2018-2019 Dept Request	0	0	0	10,638,850	0	0	10,638,850
2018-2019 Manager's Budget	0	0	0	10,638,850	0	0	10,638,850
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	0	10,842,720	0	0	10,842,720
2020-2021 Projected Budget	0	0	0	11,050,680	0	0	11,050,680
2021-2022 Projected Budget	0	0	0	11,262,790	0	0	11,262,790
2022-2023 Projected Budget	0	0	0	11,479,140	0	0	11,479,140

Expenditures

678.851 Medical	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	8,452,850	0	8,452,850
2015-2016 Actual	0	0	0	9,063,660	0	9,063,660
2016-2017 Actual	0	0	0	8,972,610	0	8,972,610
2017-2018 Original Budget	0	0	0	10,658,120	0	10,658,120
2017-2018 Adjusted Budget (Dec)	0	0	0	10,658,120	0	10,658,120
2017-2018 Six Month Actual	0	0	0	5,338,220	0	5,338,220
2017-2018 Estimated Year End	0	0	0	9,582,500	0	9,582,500
2018-2019 Dept Request	0	0	0	10,515,500	0	10,515,500
2018-2019 Manager's Budget	0	0	0	10,515,500	0	10,515,500
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	0	10,760,280	0	10,760,280
2020-2021 Projected Budget	0	0	0	11,026,190	0	11,026,190
2021-2022 Projected Budget	0	0	0	11,259,160	0	11,259,160
2022-2023 Projected Budget	0	0	0	11,497,400	0	11,497,400

The mission of the general liability & property insurance fund is to account for all of the city's general liability and property insurance coverage activity.

In a collaborative effort, the city is a member of the Michigan Municipal Risk Management Authority (MMRMA), a pooled organization under the laws of the State of Michigan to assist with risk management services and self-insurance protection from general liability, property coverage and crime loss.

The city has been a member of the pool since 1985. The city is bound by all of the provisions of the MMRMA's joint powers agreement, coverage documents, MMRMA rules, regulations, and administrative procedures.

The city currently has a self-insured retention (SIR) of \$500,000 for general liability, \$15,000 for vehicle damage, 10% for property and crime up to \$100,000 and \$250,000 for limited sewage system overflow. Vehicle physical damage and property /crime and EMS/Fire replacement have a \$1,000 deductible.

The city has a stop loss of \$750,000. This limits the city's payments during the year for those costs falling within the city's SIR. The stop loss only responds to cumulative city SIR payments, including damages, indemnification, and allocated loss adjustment expenses within one year (June 1 to May 31).

Over the past ten years, the city has received \$5 million in net asset distributions from the MMRMA.

GOALS

1. To minimize general liability and property losses.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

The budget and forecast assumes a net asset distribution is received from the MMRMA of \$500,000 based upon historical actual distributions. Contributions from user funds are budgeted to be reduced since net asset distribution will be assumed as this revenue will help to lower fees charged to the various city funds. The 2018-19 budget has a 4% increase for MMRMA coverage and assumes a deposit of \$300,000 to the MMRMA member loss fund.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	702,471	702,471	702,471	687,411	656,841	610,301
Revenues and transfers from other funds	1,242,050	1,144,710	1,163,990	1,183,850	1,204,310	1,225,380
Expenditures and transfers to other funds	1,242,050	1,144,710	1,179,050	1,214,420	1,250,850	1,288,380
Net Change in Net Assets	0	0	(15,060)	(30,570)	(46,540)	(63,000)
Ending Unrestricted Net Assets	702,471	702,471	687,411	656,841	610,301	547,301

Revenues

679.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	1,213,200	0	0	1,213,200
2015-2016 Actual	0	0	0	3,089,990	0	0	3,089,990
2016-2017 Actual	0	0	0	1,463,380	0	0	1,463,380
2017-2018 Original Budget	0	0	0	1,292,000	0	0	1,292,000
2017-2018 Adjusted Budget (Dec)	0	0	0	1,292,000	0	0	1,292,000
2017-2018 Six Month Actual	0	0	0	1,240,050	0	0	1,240,050
2017-2018 Estimated Year End	0	0	0	1,242,050	0	0	1,242,050
2018-2019 Dept Request	0	0	0	1,144,710	0	0	1,144,710
2018-2019 Manager's Budget	0	0	0	1,144,710	0	0	1,144,710
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	0	1,163,990	0	0	1,163,990
2020-2021 Projected Budget	0	0	0	1,183,850	0	0	1,183,850
2021-2022 Projected Budget	0	0	0	1,204,310	0	0	1,204,310
2022-2023 Projected Budget	0	0	0	1,225,380	0	0	1,225,380

General Liability & Property Insurance Fund

Expenditures

679.881 General Liability and Property	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	1,300,950	0	1,300,950
2015-2016 Actual	0	0	0	1,226,290	0	1,226,290
2016-2017 Actual	0	0	0	1,482,460	0	1,482,460
2017-2018 Original Budget	0	0	0	1,297,500	0	1,297,500
2017-2018 Adjusted Budget (Dec)	0	0	0	1,297,500	0	1,297,500
2017-2018 Six Month Actual	0	0	0	969,500	0	969,500
2017-2018 Estimated Year End	0	0	0	1,242,050	0	1,242,050
2018-2019 Dept Request	0	0	0	1,144,710	0	1,144,710
2018-2019 Manager's Budget	0	0	0	1,144,710	0	1,144,710
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	0	1,179,050	0	1,179,050
2020-2021 Projected Budget	0	0	0	1,214,420	0	1,214,420
2021-2022 Projected Budget	0	0	0	1,250,850	0	1,250,850
2022-2023 Projected Budget	0	0	0	1,288,380	0	1,288,380

FIDUCIARY FUNDS

A fiduciary fund is any fund held by a governmental unit in a fiduciary capacity.

Retirement (Pension) Fund - 731

Retiree Health Care Fund - 736

The funding objective of the retirement (pension trust) fund is to actuarially determine and receive contributions which will accumulate as assets during members' time of employment that will be sufficient to finance retirement pension benefits

throughout the members (and beneficiaries) retirement years. In February 2017, the city closed on a \$20.57 million pension bond issuance. This eliminated the current general employee unfunded actuarial accrued liability.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

As of the last actuarial valuation report dated June 30, 2017 the required employer contribution is approximately \$5.5 million. However, funds are budgeted to contribute \$5.8 million, as the full normal costs and the police and fire unfunded accrued liability will be contributed. The full contribution is budgeted as required by law. The retirement system has a ratio of over two retirees/beneficiaries to one employee member. The complete actuarial report is on the city's website.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	154,970,885	158,886,845	162,726,045	167,388,895	172,946,245	179,474,445
Revenues and transfers from other funds	21,846,610	21,799,870	23,013,000	24,308,350	25,691,920	27,170,170
Expenditures and transfers to other funds	17,930,650	17,960,670	18,350,150	18,751,000	19,163,720	19,588,850
Net Change in Net Assets	3,915,960	3,839,200	4,662,850	5,557,350	6,528,200	7,581,320
Ending Unrestricted Net Assets	158,886,845	162,726,045	167,388,895	172,946,245	179,474,445	187,055,765

Revenues

731.000 REVENUE	Taxes	Grants	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	13,133,740	32,530	0	13,166,270
2015-2016 Actual	0	0	0	5,192,880	5,530	0	5,198,410
2016-2017 Actual	0	0	0	47,163,700	22,810	0	47,186,510
2017-2018 Original Budget	0	0	0	20,496,880	0	0	20,496,880
2017-2018 Adjusted Budget (Dec)	0	0	0	20,496,880	0	0	20,496,880
2017-2018 Six Month Actual	0	0	0	15,979,900	3,140	0	15,983,040
2017-2018 Estimated Year End	0	0	0	21,843,470	3,140	0	21,846,610
2018-2019 Dept Request	0	0	0	21,799,870	0	0	21,799,870
2018-2019 Manager's Budget	0	0	0	21,799,870	0	0	21,799,870
2018-2019 Approved Budget							
2019-2020 Projected Budget	0	0	0	23,013,000	0	0	23,013,000
2020-2021 Projected Budget	0	0	0	24,308,350	0	0	24,308,350
2021-2022 Projected Budget	0	0	0	25,691,920	0	0	25,691,920
2022-2023 Projected Budget	0	0	0	27,170,170	0	0	27,170,170

Expenditures

731.237 RETIREMENT	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	1,180	0	0	16,152,710	0	16,153,890
2015-2016 Actual	36,150	0	0	16,492,620	0	16,528,770
2016-2017 Actual	51,380	0	0	17,159,190	0	17,210,570
2017-2018 Original Budget	44,460	0	0	20,452,420	0	20,496,880
2017-2018 Adjusted Budget (Dec)	44,460	0	0	20,452,420	0	20,496,880
2017-2018 Six Month Actual	20,490	0	0	8,845,680	0	8,866,170
2017-2018 Estimated Year End	45,350	0	0	17,885,300	0	17,930,650
2018-2019 Dept Request	47,920	0	0	17,912,750	0	17,960,670
2018-2019 Manager's Budget	47,920	0	0	17,912,750	0	17,960,670
2018-2019 Approved Budget						
2019-2020 Projected Budget	49,230	0	0	18,300,920	0	18,350,150
2020-2021 Projected Budget	50,580	0	0	18,700,420	0	18,751,000
2021-2022 Projected Budget	51,980	0	0	19,111,740	0	19,163,720
2022-2023 Projected Budget	53,420	0	0	19,535,430	0	19,588,850

The funding objective of the retiree healthcare trust fund is to actuarially determine and receive contributions which will accumulate as assets during members' time of employment that will be sufficient to finance retirement healthcare benefits throughout the members (and

beneficiaries) retirement years. The city currently is making the entire annual contribution. In February 2017, the city closed on a \$106.04 million OPEB bond issuance. This eliminated the general, police and fire employees' current unfunded actuarial accrued liability.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2018-2019:

As of the last complete actuarial valuation report dated June 30, 2017, the annual recommended contribution (ARC) for fiscal year beginning July 1, 2018 is \$370,000. The UAAL after bonding is -\$3.331 million, put another way, it's overfunded. This causes a negative amortized UAAL of \$308,464 that nets against positive normal costs of nearly \$700,000. The full normal cost of is contributed in the budget.

Budget Summary

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Beginning Unrestricted Net Assets	132,323,704	137,275,554	140,643,164	144,570,714	149,098,694	154,245,884
Revenues and transfers from other funds	12,806,700	11,024,960	11,823,650	12,683,430	13,609,020	14,605,510
Expenditures and transfers to other funds	7,854,850	7,657,350	7,896,100	8,155,450	8,461,830	8,743,670
Net Change in Net Assets	4,951,850	3,367,610	3,927,550	4,527,980	5,147,190	5,861,840
Ending Unrestricted Net Assets	137,275,554	140,643,164	144,570,714	149,098,694	154,245,884	160,107,724

Revenues

736.000 REVENUE	Taxes	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	136,300	10,912,560	0	11,048,860
2015-2016 Actual	0	0	479,070	11,677,120	0	12,156,190
2016-2017 Actual	0	0	3,522,180	119,383,920	0	122,906,100
2017-2018 Original Budget	0	0	10,570,000	696,740	0	11,266,740
2017-2018 Adjusted Budget (Dec)	0	0	10,570,000	696,740	0	11,266,740
2017-2018 Six Month Actual	0	0	6,575,280	348,780	0	6,924,060
2017-2018 Estimated Year End	0	0	12,110,000	696,700	0	12,806,700
2018-2019 Dept Request	0	0	10,325,000	699,960	0	11,024,960
2018-2019 Manager's Budget	0	0	10,325,000	699,960	0	11,024,960
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	11,109,690	713,960	0	11,823,650
2020-2021 Projected Budget	0	0	11,955,190	728,240	0	12,683,430
2021-2022 Projected Budget	0	0	12,866,220	742,800	0	13,609,020
2022-2023 Projected Budget	0	0	13,847,850	757,660	0	14,605,510

Expenditures

736.860 RETIREE INSURANCE BENEFITS	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	7,706,130	0	7,706,130
2015-2016 Actual	0	0	0	7,298,350	0	7,298,350
2016-2017 Actual	0	0	0	7,455,630	0	7,455,630
2017-2018 Original Budget	0	0	0	11,266,740	0	11,266,740
2017-2018 Adjusted Budget (Dec)	0	0	0	11,266,740	0	11,266,740
2017-2018 Six Month Actual	0	0	0	3,942,100	0	3,942,100
2017-2018 Estimated Year End	0	0	0	7,854,850	0	7,854,850
2018-2019 Dept Request	0	0	0	7,657,350	0	7,657,350
2018-2019 Manager's Budget	0	0	0	7,657,350	0	7,657,350
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	0	7,896,100	0	7,896,100
2020-2021 Projected Budget	0	0	0	8,155,450	0	8,155,450
2021-2022 Projected Budget	0	0	0	8,461,830	0	8,461,830
2022-2023 Projected Budget	0	0	0	8,743,670	0	8,743,670



SUPPLEMENTAL INFORMATION

Building Authorities
– Fire

City Property

Biographies
– Elected Officials

Glossary

SEMOG Community Profile

Principal Employers and
Taxpayers

Fire Building Authority Budget Summary

	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	2022- 2023
Beginning Fund Balance	0	0	0	0	0	0
Revenues and transfers from other funds	630,000	628,000	631,000	633,000	630,000	0
Expenditures and transfers to other funds	630,000	628,000	631,000	633,000	630,000	0
Net Change in Fund Balance	0	0	0	0	0	0
Ending Fund Balance	0	0	0	0	0	0

Fire Building Authority Revenues

573.000 REVENUE	Taxes	Licenses, Charges and Fines	Interest and Contributions	Other	Transfers	Total
2014-2015 Actual	0	0	0	624,350	0	624,350
2015-2016 Actual	0	0	0	626,620	0	626,620
2016-2017 Actual	0	0	0	630,870	0	630,870
2017-2018 Original Budget	0	0	0	630,000	0	630,000
2017-2018 Adjusted Budget (Dec)	0	0	0	630,000	0	630,000
2017-2018 Six Month Actual	0	0	0	593,970	0	593,970
2017-2018 Estimated Year End	0	0	0	630,000	0	630,000
2018-2019 Dept Request	0	0	0	628,000	0	628,000
2018-2019 Manager's Budget	0	0	0	628,000	0	628,000
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	0	631,000	0	631,000
2020-2021 Projected Budget	0	0	0	633,000	0	633,000
2021-2022 Projected Budget	0	0	0	630,000	0	630,000
2022-2023 Projected Budget	0	0	0	0	0	0

Fire Building Authority Expenditures

573.336 FIRE BUILDING AUTHORITY	Personnel Services	Supplies	Capital	Other	Debt	Total
2014-2015 Actual	0	0	0	0	624,350	624,350
2015-2016 Actual	0	0	0	0	626,620	626,620
2016-2017 Actual	0	0	0	0	630,870	630,870
2017-2018 Original Budget	0	0	0	0	630,000	630,000
2017-2018 Adjusted Budget (Dec)	0	0	0	0	630,000	630,000
2017-2018 Six Month Actual	0	0	0	0	593,970	593,970
2017-2018 Estimated Year End	0	0	0	0	630,000	630,000
2018-2019 Dept Request	0	0	0	0	628,000	628,000
2018-2019 Manager's Budget	0	0	0	0	628,000	628,000
2018-2019 Approved Budget						
2019-2020 Projected Budget	0	0	0	0	631,000	631,000
2020-2021 Projected Budget	0	0	0	0	633,000	633,000
2021-2022 Projected Budget	0	0	0	0	630,000	630,000
2022-2023 Projected Budget	0	0	0	0	0	0

Elected Officials

Mayor Michael Fournier

Mr. Fournier became Royal Oak's 24th Mayor in December 2016. Mr. Fournier was first elected to the city commission in November of 2011. He holds a BA from Michigan State University and a MBA from the University of Notre Dame. He has spent most of his professional career in financial and operational leadership roles.

Commissioner Kyle DuBuc

Mr. DuBuc was first elected to the city commission in November of 2011 and has lived in the city since 2007. He has extensive public policy experience and currently works as the Director of Public Policy & Advocacy at United Way of Southeast Michigan. Kyle earned a BA in community relations from Michigan State University.

Commissioner Kim Gibbs

Ms. Gibbs was first elected to the city commission in November of 2017. She obtained her Bachelor's Degree and Juris Doctorate from Michigan State University. She has lived in the city since 2002. Her professional practice is transactional based with a focus on real estate.

Commissioner Sharlan Douglas

Ms. Douglas was elected to the city commission in 2013. She holds a BA in journalism from Michigan State University. She currently owns Douglas Communications Group, a public relations and social marketing firm.

Commissioner Pat Paruch

Ms. Paruch was sworn into office on Nov. 10, 2014. A 14-year veteran of the city commission, Ms. Paruch was previously the Mayor of the City of Royal Oak (1989-1993), a city commissioner (1979-1989) and mayor pro-tem for two years. Ms. Paruch graduated with a Bachelor's Degree from the University of Detroit (1972) and a Juris Doctorate from Wayne State University (1992). A shareholder at the Kemp Klein Law Firm in Troy, her practice areas include municipal and environmental law.

Commissioner Melanie Macey

Ms. Macey was first elected to the city commission in November of 2017. Ms. Macey holds a M.S. in computer science and engineering from the University of Michigan and a Juris Doctorate from the University of Michigan Law School. She is currently an attorney-counselor for the University of Michigan Law School's Office of Career Planning. She is also a board member for the Royal Oak Public Library.

Commissioner Randy LeVasseur

Mr. LeVasseur was first elected to the city commission in November of 2017. He obtained both a Bachelor's Degree and a Juris Doctorate from the University of Michigan. He started his own real estate law practice in 1999 and started a small business dedicated to helping homeowners reduce their property taxes in 2010.

44th District Court Judge Derek Meinecke

The honorable Judge Meinecke was elected 44th District Court Judge in November 2012 with his term beginning in January 2013. In May 2013, Judge Meinecke was awarded the Public Service Leadership Award by the area agency on Aging 1-B. Prior to taking the bench, he spent over a decade as an assistant prosecuting attorney with the Oakland County Prosecutor's Office. Judge Meinecke served on the special victim's unit, prosecuting sexual assault, domestic violence, elder abuse and child abuse cases. Before joining the prosecutor's office, Judge Meinecke served as the law clerk to long-time 44th District Court Judge, Daniel Sawicki while completing his law degree at Wayne State University, where he graduated with honors. Judge Meinecke completed his undergraduate studies at Northwestern University where he majored in political science and history.

44th District Court Judge Jamie Wittenberg

The honorable Judge Jamie Wittenberg was first elected to the bench in November of 2008 and re-elected in November of 2014. Judge Wittenberg has spent his entire legal career as a public servant. After law school he worked as an Assistant Wayne County Prosecutor under both Mike Duggan and Kym Worthy, and most recently as an Assistant Macomb County Prosecutor under Eric Smith. As a prosecutor, he handled a number of high profile homicide cases. Prior to attending law school, Judge Wittenberg opened his own retail/wholesale bakery business and later worked as a district manager for Elaine's Bagels. Judge Wittenberg received his undergraduate degree in public affairs from Indiana University and his law degree from Wayne State University.

Management

City Manager Donald E. Johnson

Mr. Johnson was officially appointed the city manager in July 2009. Prior to becoming city manager he was appointed as the Royal Oak Director of Finance in September 2005. He

started his career as a research analyst for the City of Southfield. He later served as finance director and treasurer for the City of Wayne and director of finance for the City of Birmingham. He earned his master's degree in public administration from Cornell University after completing his bachelor of arts degree at Oakland University. In the 15 years directly before starting with Royal Oak, Don owned and managed a software firm which specialized in municipal applications.

Director of Finance Julie Jenuwine Rudd

Ms. Rudd was hired in December 2009 as the city's chief financial officer. She has over twenty-five years of municipal finance and operational experience. She was with the City of Sterling Heights for ten years in numerous fiscal related positions and eight years with the City of Rochester Hills, including five years as the director of finance. She earned a bachelor's of science degree in accounting from Oakland University and a master's of science in taxation from Walsh College.

Assistant Finance Director Anthony DeCamp

Mr. DeCamp was selected to be the controller for the Royal Oak Finance Department in January 2008. He previously worked as a senior auditor for the Rehmann Group, where his assignments included auditing the City of Royal Oak. Tony is a C.P.A. and holds a bachelor's degree in professional accounting from Saginaw Valley State University.

City Treasurer Jaynmarie C. Hubanks

Ms. Hubanks was hired in August 2017. She has 40 years of financial and human resource management experience working for non-profits, governments, and small businesses. She spent 24 years at the City of Ferndale as the finance director, treasurer, and assistant city manager, and 6 years at University of Detroit as a loan specialist, financial analyst, then assistant controller. She received degrees in marketing and small business management at Ferris State College (now University), and her MBA from University of Detroit-Mercy.

City Assessor James Geiermann

The City of Royal Oak appointed Mr. Geiermann in June 2002. He came on board with a Level IV Certification in assessment administration and an associate degree in applied science from Monroe County Community College. Jim had six years as the commercial/industrial appraiser for the City of Novi, and another 11 ½ years for the Monroe County Equalization Department. Additionally, he provided many years of consultancy on assessments for Whiteford Township in Monroe County.

44th District Court Administrator

Gary W. Dodge

Mr. Dodge was selected as the court administrator for the 44th District Court in December of 2014. He has worked as the court administrator at district and circuit courts in Michigan and Illinois from 1994 to 2014. Prior to that, he was a legal administrator with the US Army Judge Advocate General's Corp serving from 1972 to 1994.

Assistant Director of Planning / Building

Official Jason Craig

Appointed in July 2006, Mr. Craig came to the City of Royal Oak after serving for four years as the deputy building official for the Township of Canton. Jason possesses a bachelor of Science degree in construction engineering from Eastern Michigan University.

City Attorney David Gillam

Mr. Gillam was named city attorney in November 2016. He previously served as city attorney from October 2006 to November 2014. Dave received his juris doctorate from Wayne State University Law School in June of 1986. He then served as an assistant prosecuting attorney in the Oakland County Prosecutor's Office for nearly five years. In June of 1991, he began his City of Royal Oak career as deputy city attorney. He served in that position through

December of 1998, when he moved into private practice with the Royal Oak law firm of Cooper, Shifman, Gabe, Quinn & Seymour. While in private practice, he served as prosecuting attorney for the City of Novi, assistant city attorney for Pleasant Ridge, Hazel Park, and Lathrup Village, and assistant township attorney for Lyon Township. In December of 2003, he joined the municipal practice group at the Farmington Hills Office of Secrest Wardle, where he served as legal counsel for several communities in Oakland County, including Walled Lake, Novi, and Bloomfield Township. Following the former city attorney's retirement, Royal Oak retained Secrest Wardle as interim city attorney in November of 2005. Mr. Gillam was assigned day-to-day responsibility for the city's legal affairs at that time, and he served the city in that capacity until he formally rejoined the city.

City Clerk Melanie Halas

Ms. Halas is a Royal Oak native who was hired as a clerk in August of 1995. Her dedication and hard work earned her a promotion to deputy city clerk in February 2000. In March of 2005 she obtained her Municipal Clerk Certification (CMC); in April of 2012 she received her Master Municipal Clerk Certification (MMC); and in April of 2014 she received her Certified Michigan Municipal Clerk Certification (CMMC). She is currently serving as President of the Oakland County Clerk's Association; In May of 2008 Ms. Halas was appointed to the city clerk's position with the full consensus of the city commission.

City Engineer Matt Callahan PE

Mr. Callahan was hired by the City of Royal Oak as a civil engineer III in 1996. He holds a bachelor of science degree in civil engineering from Michigan Tech and a master's degree in civil engineering from Wayne State University. He has a Professional Engineers (P.E.) license and is a member of the American Society of Civil Engineers.

Director of Community Development

Timothy Thwing

Mr. Thwing was promoted to director of planning in August 2001 after serving as deputy director of planning since October of 1996. He was first employed by the City of Royal Oak in October 1991 as a planner III. He earned his bachelor of science degree in urban planning from Michigan State University. Tim's previous experience with the City of Monroe, Monroe County and the City of Jackson ranged from assistant planner, associate planner, planner, and principal planner to acting director of planning

Director of Recreation and Public Service

Gregory Rassel

Mr. Rassel was promoted to the director of recreation and public service in August 2004 after serving in an "acting" position since March 2004. He had been selected from Florida originally, to be the superintendent of public works effective October 1997. Greg entered service with the City of Royal Oak possessing a bachelor of arts degree in economics from the University of Florida, master's in organizational management from University of Phoenix, has served thirty years (active and reserve) in the U.S. Marine Corps, a retired colonel in the reserves, and two years as the superintendent of fleet management for the City of Hollywood, Florida.

Fire Chief David Cummins

Mr. Cummins has been serving as fire chief since March 2017. He was hired by the fire department in August of 1992 and has held the positions of firefighter/paramedic, sergeant, and lieutenant. He was the president of the Royal Oak Professional Firefighters Association from November 2005 through January 2009. He received a B.A. in philosophy from the University of Michigan-Dearborn.

Human Resource Director Dennis Van de Laar

Mr. Van de Laar was promoted to Human Resources Director in April of 2017. He was hired as a City Management Graduate Intern in the summer of 2012 and was also assigned to a role of part-time specialist in 2013, before moving into a full-time position with Human Resources later that year. Prior to arriving in Royal Oak, he worked for the Southern Illinois Airport Authority and was assigned to a variety of operational and capital funding projects. He also worked as a Manager of Regulatory Affairs for the National Air Transport Association in Washington DC. Dennis holds a Bachelor of Science degree in Aviation Management, with a minor in Organizational Psychology, and a Master's degree in Public Administration with a concentration in HR and International Relations from Southern Illinois University.

Library Director Mary Karshner

Ms. Karshner became library director in 2010. She started at Royal Oak Public Library in 2002 and was promoted to head of youth and teen services in 2006. She received her master's degree in library science from Wayne State University. Her bachelor's degree is in economics from Michigan State University. Previous employment includes research positions at archeological excavations in England, Iran, Italy, and Spain; museum curator/local historian at St. Clair Shores Public Library; and Manuscripts Curator at the Burton Historical Collection, Detroit Public Library.

Manager of Information & Communications Technology Mike Kirby

Mr. Kirby was hired as the manager of information and communication technology in July 2015. He earned his bachelor of science degree in electrical engineering and computer science from the University of Michigan. Mike has over 20 years of experience in the technology field including software development, enterprise system and application architecture, data-center and infrastructure administration, project management and program management.

Superintendent of Recreation John Fedele

Mr. Fedele was appointed the superintendent of recreation in February 2018. John graduated from the University of Florida with a Bachelor's Degree in sport management and minor in business administration. Previously, he was the Athletic Director for the City of Newberry, Florida where he operated multiple sport complexes and activities.

Assistant City Manager / Police Chief

Corrigan O'Donohue

Chief O'Donohue was named the interim police chief in March 2011. He has also served as a deputy chief, lieutenant, sergeant, and patrol officer with the Royal Oak Police Department. He is a graduate of Eastern Michigan University's Staff and Command School, the FBI National Academy and has a bachelor's degree in criminal justice from Eastern Michigan University. He is currently pursuing a master's degree in public administration from Eastern Michigan University. Prior to joining the Royal Oak Police Department, he served in the United States Marine Corps.

Supplemental Information – City Owned Property

Ice Arena Building - E Rink	Parking Deck – 5th & Lafayette	Park - Whittier
Ice Arena Building - W Rink	Lot - Woodward At Harrison	Park - Woodsboro
Center St Parking Structure	Lot - Woodward S Of Harrison	Park - Worden
4th & Lafayette Pkg Structure	Land Under Roadways	Starr House - 3123 Main
Golf Course Clubhouse	Park - 13&Main (Not Dedicated)	City Hall-211 Williams
Golf Course Pump House #1	Park - Barton North	Vacant/Closed Street - Batavia
Golf Course Pump House #2	Park - Barton South	Vacant - Woodward & Hunter
City Buildings	Park - Bassett	1302 S Washington
Soccer Dome	Park - Beachwood	319 W Kenilworth
Dept Of Public Service Bldg	Park - Clawson	1306 S Washington
Barricade Storage Building	Park - Cummingston	1312 S Washington
Animal Shelter	Park - Dickinson	1316 S Washington
Police Station	Park - Dondero	1402 S Washington
Fire Station #1 (Troy St)	Park - Elks	Mdot Option Parcels
Fire Station #1 (Renovations)	Park - Exchange	5th & Williams Properties
Fire Station #2 (Museum) (Webster)	Park - Fernwood	Park-Memorial
Fire Station #4-Storage Bldg	Park - Franklin	Ice Arena Land
Mahany/Meininger Center	Park - Fred Pieper Optimist	Land-Normandy Oaks
Orson Starr House	Park - Fulton	Farmers Mkt - Land
Orson Starr House Garage	Park - Grant	Farmers Mkt - Prkng Lot
Memorial Prk-Storage Bldg	Park - Gunn Dyer	S. Washington Twp
Memorial Park-Restroom Bldg	Park - Hudson	1332 S. Washington
Memorial Park-Press Box	Park - Huntington Woods	Courthouse Land
Memorial Park-Press Box	Park - Kenwood	Land - 600 Fernwood
Memorial Park-Concession Bldg	Park - Lawson	Lot – 600 S. Main & 700 S. Main
Memorial Park-Restroom Bldg	Park - Lockman	Salt Shed
Memorial Park-Press Box	Park - Maddock	Lot – 3rd & Williams
Ro Club Maintenance Bldg	Park - Marais-Dickie Putnam	
Salter Community Center	Park - Mark Twain	
Farmers Mkt - Bldg	Park - Marks	
6 & Lafayette Parking Deck	Park - Maudlin	
Fire Station #3 (Rochester)	Park - Meininger	
Fire Station #4 (Woodward)	Park - Miller	
Library	Park - Pioneer	
Golf Course Cart Storage Facility	Park - Quickstad	
Courthouse	Park - Reactor	
Land (For 606 Lloyd Property)	Park - Red Run	
Rr R/W Forestdale & Cedar Hill	Park - Rotary	
Rr R/W Woodsboro Park	Park - Starr Jc	
Lot - Crooks & Main	Park - Sullivan	
Lot - 11 Mile & Troy	Park - Upton	
Lot - Farmers Mkt	Park - Vfw	
Lot – Troy St.	Park - Wagner	
Parking Deck – 4th & Lafayette	Park - Waterworks	
Parking Deck – 2 nd & Center	Park - Wendland	
Eagle Plaza	Park - Westwood	

Supplemental Information – Principal Employers and Taxpayers

Principal Employers

Company Name	Product/Service	2008			2017		
		Employees	Rank	Percentage	Employees	Rank	Percentage
				of Total			of Total
William Beaumont Hospital	Hospital	8,700	1	25.22%	13,298	1	31.94%
City of Royal Oak	Municipality	339	3	0.98%	507	2	1.22%
Royal Oak School District	Education	639	2	1.85%	462	3	1.11%
Detroit Zoological Society	Zoo	208	8	0.60%	413	4	0.99%
Consumers Energy	Utility	220	6	0.64%	374	5	0.90%
Flex-N-Gate Royal Oak	Automotive supplier	200	9	0.58%	355	6	0.85%
Comau LLC	Manufacturer			0.00%	315	7	0.76%
Holiday Market	Grocery store	160	10	0.46%	308	8	0.74%
Kroger	Grocery store	260	4	0.75%	291	9	0.70%
Meijer, Inc.	Retailer/grocery store	250	5	0.72%	251	10	0.60%
Form Tech Industries LLC		214	7	0.62%			-
Total		11,190		32.43%	16,574		36.80%

Principal Taxpayers

Taxpayer	Assessment Year			Assessment Year		
	2007			2017		
	Taxable Value	Rank	Percentage	Taxable Value	Rank	Percentage
			of Total			of Total
Consumers Energy Company	\$ 9,636,920	6	0.99%	\$ 27,932,140	1	1.14%
DTE Electric Company	24,131,770	1	0.39%	24,519,980	2	1.00%
WM Beaumont Hospital	15,069,880	3	0.99%	9,567,600	3	0.35%
Meijer, Inc.	7,592,030	9	0.31%	8,524,140	4	0.39%
Comcast			0.00%	7,905,060	5	0.32%
The Kroger Company			0.00%	6,776,130	6	0.28%
H2 Royal Oak LLC			0.00%	6,220,910	7	0.25%
Garber Family Partnership			0.00%	6,003,790	8	0.25%
Woodland Gardens			0.00%	5,660,270	9	0.23%
Alidade Main North LLC			0.00%	5,107,330	10	0.21%
Sprint Holdings/Form Tech	23,664,650	2	0.97%			
Amber Equities	14,535,200	4	0.59%			
Co-op Services	9,562,570	7	0.39%			
National City Bank	8,047,980	8	0.33%			
Woodland Gardens	5,612,700	10	0.23%			
Flex-N-Gate	13,784,850	5				
Total taxable value of ten largest taxpayers	117,853,700		5.19%	108,217,350		4.43%
Total taxable value of all other taxpayers	2,328,648,840		95.18%	2,333,309,200		95.57%
Total taxable value of all taxpayers	\$ 2,446,502,540		100.00%	\$ 2,441,526,550		100.00%

Glossary

Accrual basis: Accrual basis accounting recognizes transactions when they occur, regardless of the timing of related cash flows. The application of accrual accounting techniques prevents distortions in financial statement representations due to shifts in the timing of cash flows and related underlying economic events near the end of a fiscal period.

ACORN: The ACORN fund accounts for the receipt and use of donations to the City to be used for a public purpose. Name changed to ROOTS.

Activity: Specific and distinguishable service performed by one or more organizational components of the City to accomplish a function for which the City is responsible.

Adjacent Generational Exchange (A.G.E.): The A.G.E. budget, using a Beaumont Hospital grant, funds a Volunteer Coordinator to recruit, train and place volunteers to serve senior citizen needs. The volunteers assist City staff with programming at both Community Centers. In the community, volunteers provide senior citizens with meals, assistance and transportation.

Americans with Disabilities Act (ADA): A law to provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities, to ensure the facilities, policies, and programs of public entities and their accommodations are equally accessible to the disabled.

Agency fund: A fund used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

Appropriation: An authorization granted by a legislative body to incur obligations and to expend public funds for a stated purpose.

Appropriation budget: The official resolution by the City Commission establishing the legal authority for the City to incur obligations and to expend public funds for a stated purpose.

Annual Required Contribution (ARC): Term used in connection with defined benefit pension and other postemployment benefit plans to describe the amount an independent actuary has determined the employer should contribute in a given year.

Assessed Value (AV): The basic value of property assigned by an assessor. It is used for an individual parcel and in the aggregate for the City as whole. Pursuant to Michigan's laws and regulations, assessed value is 50% of market value at December 31st.

Balanced budget: A budget in which estimated revenues, transfers-in and use of fund balance are equal to or greater than estimated expenditures and transfers-out.

Bargaining Units for Full-Time Employees: *Executive Department Heads* (City Assessor, City Treasurer, City Clerk, Police Chief, Fire Chief, plus Directors of Finance, Recreation & Public Service, Human Resource, and Arena Operations) are not represented.

The *Department Head and Deputy Department Head Association* is the local bargaining association including Department Heads not included above, Deputy Department Heads, Managers and Superintendents.

The *Professional and Technical Employees Association* (Pro-Tech) is the local bargaining association representing certain professional, specialist and supervisory employees.

The *American Federation of State, County and Municipal Employees* (AFSCME) Local #2396 of Michigan Council #25 is the union representing certain inspectors, officers, librarians, and all clerical employees except confidential secretaries.

The *Professional Fire Fighters Local #431*, affiliated with the Michigan Professional Firefighters Union and the International Association of Fire Fighters AFL-CIO, includes all uniformed firefighting and fire prevention personnel.

The *Royal Oak Police Command Officers Association* (ROCOA) is the local bargaining association, represented by the Police Officer's Labor Council, including Sergeant and Lieutenant ranks.

The *Royal Oak Police Officers Association* (ROPOA) is the local bargaining association representing Police Officers, Police Service Aides and part-time Parking Enforcement Officers.

The *Royal Oak Detectives' Association*, represented by the Labor Council Michigan Fraternal Order of Police, includes all employees with the rank of Detective.

The *Foreman and Supervisors' Association* is the local bargain association representing Public Works Supervisors.

The *Service Employees' International Union AFL-CIO Local 517M (SEIU)* is the union representing hourly employees of the Department of Recreation and Public Service.

Brownfield: The site(s) or legally defined area(s) meeting the eligibility requirements of the Brownfield Development Act as environmentally contaminated, functionally obsolete or blighted areas.

Brownfield Development Authority (BRA): The board to investigate potential brownfield sites and plan and finance their redevelopment. BRAs may use tax increment financing (TIF), per Public Act 381 of 196 as amended, to capture local property taxes and school taxes if approved.

Business-type activity: Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. These activities are usually reported in enterprise funds which follow essentially the same accounting rules as a private enterprise.

Capital assets: Capital assets are tangible and intangible assets that will be of use for three or more years and have a cost greater than \$10,000. Typical examples are land, buildings, building improvements, streets, water and sewer lines, vehicles, machinery, equipment, and easements.

Capital projects fund: A fund to account for the development of municipal capital facilities.

Capital improvement budget: A capital improvement budget plans and prioritizes acquisition of or major repair to long-lived assets, such as infrastructure. This budget typically has a long-term outlook where a project can span a several year period. (see Operating Budget)

Community Development Block Grant (CDBG): This is a federally funded program to assist communities in the expansion and improvement of community services, to develop and improve neighborhoods, and to restore and preserve

property values. In Royal Oak, CDBG money pays for most of our senior citizen programs.

Contingency: An estimated amount of funds needed for contingent or emergency purposes.

Debt service fund: A fund to account for the accumulation of resources for and the payment of, general long-term debt principal and interest.

Defeasance: In financial reporting, the netting of outstanding liabilities and related assets on the statement of position. Defeased debt is no longer reported as a liability on the face of the statement of position. Most refundings result in the defeasance of the refunded debt.

Deficit: An excess of liabilities and reserves of a fund over its assets.

Depreciation: Depreciation is the accrual accounting concept using various methods to expense the capitalized cost of an asset over its estimated useful life.

Downtown Development Authority (DDA): The City Commission created the Downtown Development District and the DDA board (also the Authority) to administer it on November 1, 1976. The DDA Act (P.A. 175 of 1975 as amended) is designed to resist blight and be a catalyst in the development of a downtown.

DDAs have a variety of funding options. Royal Oak's DDA primarily uses development bonds and tax increment financing (TIF) to fund its development plan. It levies a district tax millage for its staffing operations. Projects to date include downtown marketing, streetscape improvements, public parking, the district court building, and other public infrastructure improvements.

Downtown Development District (DDD): The legal area created on November 1, 1976 by the City Commission, originally bounded by Eleven Mile Road and Troy, Lincoln and West Streets. The district has been amended three times.

Emergency Medical Service (EMS): The Fire Department provides advanced and basic emergency medical services typically with a rescue unit or ambulance.

Enterprise fund: A fund established to account for operations that are financed and operated in a

manner similar to a private business, i.e., the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Water & sewer is an example of an enterprise fund.

Expenditure: The cost of goods delivered and services rendered whether paid or unpaid.

Expenditure object: An expenditure object is a specific classification of expenditure accounts which includes a number of related accounts determined by the type of goods and services to be purchased. For example, the personnel services expenditure object includes the wages account as well as all fringe benefit accounts. Expenditure objects include personnel services, supplies, other charges, capital outlays, debt service, and transfers out.

Final Average Compensation (FAC): An average of an employee's annual wages used in the calculation of their retirement benefit.

Fiscal Year (FY): The 12 month period, July 1 to June 30, to which the annual operating budget applies and, at the end of which, financial position and the results of operations are determined.

Full-Time Equivalent (FTE): A method to convert part-time hours worked to that of a full-time worker in a like position based on 2080 hours per year.

Function: Groups of related activities aimed at accomplishing a major service or regulatory program for which the City is responsible.

Fund: Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions, activities or objectives with special regulations, restrictions, or limitations. (e.g. Major Street Fund). A fund is a self-balancing set of accounts recording financial resources with all related liabilities resulting in equities or balances. The accounts of the City are organized on the basis of funds and account groups in order to report on its financial position and results of its operations.

Fund balance: The difference between assets and liabilities reported in a governmental fund.

Generally Accepted Accounting Principals (GAAP): Conventions, rules and procedures that

serve as the norm for the fair presentation of financial statements.

General Fund: The city's major operating fund to account for all financial resources except those accounted for in another fund.

Government-type activities: Activities typically supported by taxes, intergovernmental revenues or other non-exchange revenue. The general, special revenue, debt service, capital project, internal service and permanent funds are governmental activities.

Government Finance Officers Association (GFOA): The GFOA of the United States and Canada is a professional organization of public officials united to enhance and promote the professional management of governmental financial resources by identifying, developing and advancing fiscal strategies, policies and practices for public benefit.

Industrial Facilities Tax (IFT): An exemption from property tax allowed to eligible industrial facilities in Michigan.

Infrastructure: Long-lived capital assets that normally are stationary in nature and normally can be preserved for significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, and lighting systems.

Interfund transfers: Flows of assets (such as cash or goods) between funds and blended components of the primary government without equivalent flows of assets in return or without a requirement for payment.

Internal service funds: Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit on a cost reimbursement basis. These funds use the flow of economic resources for measurement purposes and the full accrual basis of accounting. Included in this category are the Information Services, Motor Pool and Worker's Compensation Funds.

Industrial Waste Charge (IWC): A surcharge placed by the City of Detroit on certain non-residential sewer accounts to pay to remove the

level of waste (e.g. grease from restaurants) above normal residential use.

Line item budget: A budget which emphasizes allocations of resources to given organizational units for particular expenditures, such as, salaries, supplies services, and equipment. Line item budgets may be organized to provide accountability at varying levels, such as on department, division, or agency levels. The City of Royal Oak adopts budgets on a “function” level.

Modified accrual accounting: This basis of accounting recognizes revenues in the accounting period in which they are both measurable and available to finance expenditures. Expenditures are generally recognized in the accounting period in which they are both measurable and incurred.

Michigan Municipal Risk Management Authority (MMRMA): A risk pool program providing a risk-sharing management program for local units of government in Michigan. Member premiums are used to purchase excess property/casualty insurance coverage and to establish a member's loss fund. The loss fund is used to pay self-insured retention portion of the member's claims.

Net assets: The difference between assets and liabilities of assets and liabilities of proprietary funds. Net assets may be further divided into unrestricted and restricted amounts like constraints of legislation or external parties, trust amounts for pensions or pools, or other purposes like invested in capital assets, net of related debt.

Object (of expenditure): In the context of the classification of expenditures, the article purchased or the service obtained, rather than the purpose for which the article or service was purchased or obtained (e.g., personal services, contractual services, materials and supplies).

Operating budget: The operating budget is the authorized revenues and expenditures for on-going municipal services and is the primary means by which government is controlled. The life span of an operating budget typically is one year. Personnel costs, supplies, and other charges are found in an operating budget. A capital budget typically has a long term outlook where a project can span a several year period.

Occupational Safety and Health Administration (OSHA): The agencies in state and federal

government that oversee the workplace environment to ensure it is safe for workers.

Other Postemployment Benefits (OPEB): Other postemployment benefits (OPEB) include postemployment benefits provided separately from a pension plan, especially retiree healthcare benefits.

Other charges: An expenditure object within an activity which includes professional services, utilities, rents, and training for example.

Personnel services: An expenditure object within an activity which includes payroll and all fringe benefits.

Revenue: The income of the City used to fund operations. Typical revenue examples are taxation, licenses and permits, inter-governmental (e.g. state grants), charges for goods and services, fines and forfeitures, contributions and donations, reimbursements, interest and rents, and gains on the sale of investments or disposal of capital assets.

Refunding: Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding).

Royal Oak Civic Center Project (ROCC): A new development project to build a new city hall, police station and downtown park. The project will transform the downtown area to a gathering place for the entire city as well as provide necessary updates to building designed more than 60 years ago.

Royal Oak Opportunity to Serve (ROOTS): A City committee formed to receive any money or property deemed by donor for city use.

Royal Oak Senior Essential Services (R.O.S.E.S.): R.O.S.E.S. is a local program providing contract workers to provide home chores, minor home repairs and personal care to senior citizens, age 60 and over, and permanently handicapped adults. Low income senior citizens may be able to qualify for a CDBG subsidy. Administrative fees from clients, donations and CDBG grants pay for R.O.S.E.S. aides.

State Equalized Value (SEV): It is the function of the Michigan State Tax Commission to establish and maintain uniformity between counties by establishing the value of the total of each classification in each county. The State Equalized Valuation of an individual parcel of real property is that parcel's final value in the assessment process. Normally SEV equals Assessed Value (AV) when measurement and professional standards are properly applied. (see AV, TV)

Southeastern Oakland County Resource Recovery Authority (SOCRRA): The intergovernmental organization, serving 12 municipalities in the southeastern region of Oakland County, that provides for collection and disposal of solid waste as well as the handling of yard waste, compost and recyclables.

Southeastern Oakland County Water Authority (SOCWA): The intergovernmental organization, serving 11 communities in the southeastern region of Oakland County, that purchases water from the Detroit Water and Sewerage Department and stores and/or pumps it to each member unit.

Special assessment: Amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special revenue fund: A fund to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library Fund, the Major Street Fund and the Local Street Fund are examples of special revenue funds.

Supplies: An expenditure object within an activity which includes all goods that have a useful life of less than three years and cost less than \$2,500.

Surplus: An excess of the assets of a fund over its liabilities and reserves.

Transmittal letter: A concise written policy and financial overview of the City as presented by the City Manager. It notes the major changes in priorities or service levels from the current year and the factors leading to those changes. It articulates the priorities and key issues for the new budget period. It identifies and summarizes major financial factors and trends affecting the budget, such as economic factors; long-range outlook; significant

changes in revenue collections, tax rates, or other changes; current and future debt obligations; and significant use of or increase in fund balance or retained earnings.

Transfers-in/out: A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

Trust & agency fund: Trust & agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds. These include the Employees' Retirement System and the agency funds.

Tax Increment Financing (TIF): Financing secured by the anticipated incremental increase in tax revenue, resulting from the redevelopment of an area, or the funding on a current basis of pay-as-you-go improvements or operations. The TIF Authority (TIFA) board creates the TIF plan, carries out the projects and collects the incremental taxes to pay its costs. TIFAs may capture local taxes but not school taxes.

Tax millage rate: Tax millage rates are expressed in dollars per thousand dollars of taxable value. A tax rate of 10 mills means \$10/1,000 or \$0.010 x Taxable Value. (see TV)

Taxable Value (TV): Taxable Value is the base for calculating a taxable parcel's property tax in Michigan. Property tax equals Taxable Value multiplied by the tax millage rate. Taxable Value is calculated to limit growth in property taxes to a parcel's State Equalized Value or to 5% a year or less depending on inflation. Michigan's 1994 Proposal A Constitutional amendment and related legislation govern its application. (see AV and SEV)

Unreserved fund balance: The balance of net financial resources that is spendable or available for appropriation, or the portion of funds balance that is not legally restricted.

Water & Sewer fund: This enterprise fund accounts for the operation of a combined water & sewer system. The revenues consist of charges for services from city businesses and residences which are used to pay for all water and sewer related expenses.

Community Profiles

YOU ARE VIEWING DATA FOR:

City of Royal Oak

211 S Williams St

Royal Oak, MI 48067-2634

<http://www.romi.gov>



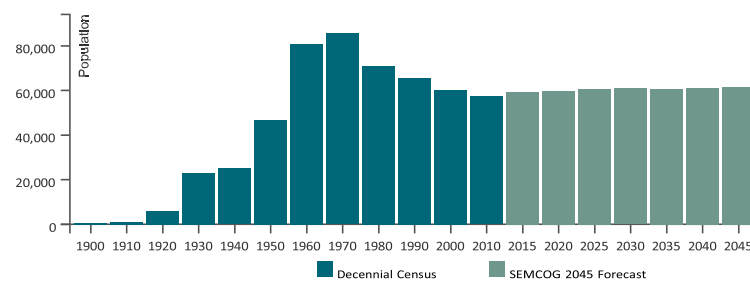
Census 2010 Population:

57,236 Area: 11.8 square
miles

Population and Households

Link to American Community Survey (ACS) Profiles: [Select a Year](#)[Social | Demographic](#) 2012-2016 ?
[Population and Household Estimates for Southeast Michigan, 2017](#)

Population Forecast



Note for City of Royal Oak : Incorporated in 1927 from Village of Royal Oak. Population numbers prior to 1927 are of the village.

Population and Households

Population and Households	Census 2010	Change 2000-2010	Pct Change 2000-2010	SEMCOG Jul 2017	SEMCOG 2045
Total Population	57,236	-2,826	-4.7%	59,801	61,612
Group Quarters Population	404	-102	-20.2%	247	331
Household Population	56,832	-2,724	-4.6%	59,554	61,281
Housing Units	30,207	265	0.9%	30,089	-
Households (Occupied Units)	28,063	-817	-2.8%	28,552	29,386
Residential Vacancy Rate	7.1%	3.6%	-	5.1%	-
Average Household Size	2.03	-0.04	-	2.09	2.09

Source: U.S. Census Bureau, SEMCOG Population and Household Estimates, and SEMCOG 2045 Regional Development Forecast

Components of Population Change

Components of Population Change	2000-2005 Avg.	2006-2010 Avg.	2011-2015 Avg.
Natural Increase (Births - Deaths)	256	252	285
Births	906	770	762
Deaths	650	518	477
Net Migration (Movement In - Movement Out)	-1,063	-10	170
Population Change (Natural Increase + Net Migration)	-807	242	455

■ With Children 20%

■ Live Alone <65 30%

Source: Michigan Department of Community Health
Vital Statistics, U.S. Census Bureau, and SEMCOG

Household Types

ACS 2015

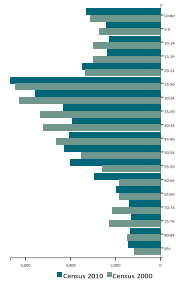
■ Live Alone, 65+ 11%

■ 2+ without children 39%

Household Types	Census 2010	ACS 2015	Change 2010-2015	Pct Change 2010-2015
With Seniors 65+	5,732	5,835	103	1.8%
Without Seniors	22,331	22,536	205	0.9%
Two or more persons without children	10,824	11,129	305	2.8%
Live alone, 65+	2,999	3,217	218	7.3%
Live alone, under 65	8,620	8,454	-166	-1.9%
With children	5,620	5,571	-49	-0.9%
Total Households	28,063	28,371	308	1.1%

Source: U.S. Census Bureau, Decennial Census, and 2015 American Community Survey 5-Year Estimates

Population Change by Age, 2000-2010



Age Group	Census 2000	Census 2010	Change 2000-2010
Under 5	3,128	3,292	164
5-9	2,719	2,433	-286
10-14	2,996	2,294	-702
15-19	2,989	2,387	-602
20-24	3,342	3,462	120
25-29	6,469	6,670	201
30-34	6,289	5,578	-711
35-39	5,357	4,356	-1,001
40-44	5,212	3,949	-1,263
45-49	4,633	4,057	-576
50-54	3,549	4,310	761
55-59	2,591	4,042	1,451
60-64	1,830	2,936	1,106
65-69	1,841	1,993	152
70-74	2,158	1,394	-764
75-79	2,292	1,289	-1,003
80-84	1,507	1,334	-173
85+	1,160	1,460	300
Total	60,062	57,236	-2,826
Median Age	36.9	37.8	0.9

Source: U.S. Census Bureau and Decennial Census

Senior and Youth Populations

Senior and Youth Population	Census 2000	Census 2010	Pct Change 2000-2010	SEMCOG 2045	Pct Change 2010-2045
65 and over	8,958	7,470	-16.6%	17,261	131.1%
Under 18	10,695	9,555	-10.7%	9,169	-4%

Note: Population by age changes over time because of the aging of people into older age groups, the movement of people, and the occurrence of births and deaths.

Source: U.S. Census Bureau, Decennial Census, and SEMCOG 2045 Regional Development Forecast

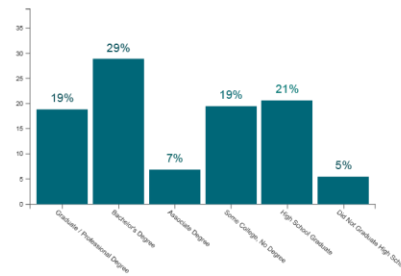
Race and Hispanic Origin

Race and Hispanic Origin	Census 2000	Percent of Population (2000)	Census 2010	Percent of Population (2010)	Percentage Point Change 2000-2010
Non-Hispanic	59,281	98.7%	55,896	97.7%	-1%
White	56,421	93.9%	50,975	89.1%	-4.9%
Black	910	1.5%	2,399	4.2%	2.7%
Asian	935	1.6%	1,339	2.3%	0.8%
Multi-Racial	756	1.3%	969	1.7%	0.4%
Other	259	0.4%	214	0.4%	-0.1%
Hispanic	781	1.3%	1,340	2.3%	1%
Total	60,062	100%	57,236	100%	0%

Source: U.S. Census Bureau and Decennial Census

Highest Level of Education

Highest Level of Education*	5-Yr ACS 2010	Percentage Point Chg 2000-2010
Graduate / Professional Degree	18.9%	4.9%
Bachelor's Degree	28.8%	2.9%
Associate Degree	6.9%	0.6%
Some College, No Degree	19.4%	-3%
High School Graduate	20.6%	-2.3%
Did Not Graduate High School	5.4%	-3.1%
* Population age 25 and over		



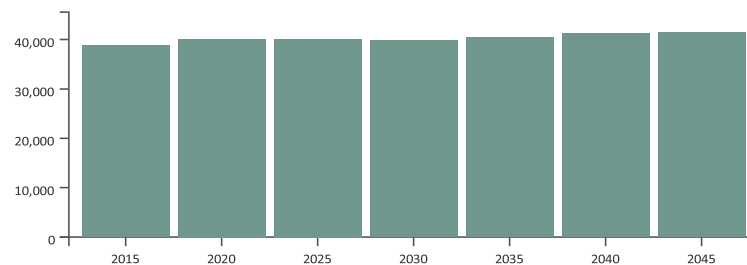
Source: **U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates**

Economy & Jobs

Link to American Community Survey (ACS) Profiles: **Select a Year****Economic**

2012-2016 ?

Forecasted Jobs



Source: **SEMCOG 2045 Regional Development Forecast**

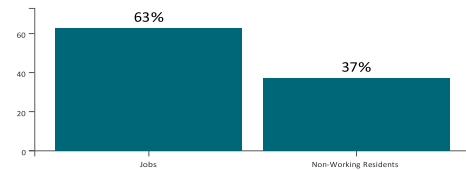
Forecasted Jobs by Industry Sector

Forecasted Jobs By Industry Sector	2015	2020	2025	2030	2035	2040	2045	Change 2015-2045	Pct Change 2015-2045
Natural Resources, Mining, & Construction	1,559	1,791	1,706	1,688	1,718	1,739	1,761	202	13%
Manufacturing	1,607	1,443	1,355	1,248	1,179	1,123	1,059	-548	-34.1%
Wholesale Trade	832	859	859	849	849	847	841	9	1.1%
Retail Trade	3,384	3,471	3,318	3,106	3,098	3,015	2,921	-463	-13.7%
Transportation, Warehousing, & Utilities	893	906	908	878	868	865	869	-24	-2.7%
Information & Financial Activities	4,624	4,636	4,515	4,396	4,384	4,402	4,395	-229	-5%
Professional and Technical Services & Corporate HQ	3,216	3,565	3,800	3,958	4,220	4,475	4,646	1,430	44.5%
Administrative, Support, & Waste Services	2,993	3,080	3,116	3,132	3,198	3,269	3,312	319	10.7%
Education Services	1,153	1,156	1,150	1,145	1,159	1,175	1,186	33	2.9%
Healthcare Services	11,614	12,071	12,301	12,285	12,564	12,906	13,045	1,431	12.3%
Leisure & Hospitality	4,480	4,665	4,670	4,659	4,730	4,998	5,002	522	11.7%
Other Services	2,089	2,151	2,101	2,066	2,060	2,046	2,019	-70	-3.4%
Public Administration	363	358	356	356	355	355	355	-8	-2.2%
Total Employment Numbers	38,807	40,152	40,155	39,766	40,382	41,215	41,411	2,604	6.7%

Source: SEMCOG 2045 Regional Development Forecast

Daytime Population

Daytime Population	SEMCOG and ACS 2015
Jobs	38,807
Non-Working Residents	22,985
Age 15 and under	8,388
Not in labor force	12,663
Unemployed	1,934
Daytime Population	61,792



Source: **SEMCOG 2045 Regional Development Forecast**
and **2015 American Community Survey 5-Year**

Estimates

Note: The number of residents attending school outside Southeast Michigan is not available. Likewise, the number of students commuting into Southeast Michigan to attend school is also not known.

Where Workers Commute From 5-Yr ACS 2010

Rank	Where Workers Commute From *	Workers	Percent
1	Royal Oak	6,005	19.8%
2	Detroit	2,040	6.7%
3	Troy	1,425	4.7%
4	Sterling Heights	1,330	4.4%
5	Madison Heights	1,285	4.2%
6	Southfield	1,105	3.6%
7	Warren	1,000	3.3%
8	Berkley	910	3%
9	Rochester Hills	845	2.8%
10	Ferndale	825	2.7%
-	Elsewhere	13,512	44.6%
* Workers, age 16 and over employed in Royal Oak		30,282	

Source: **U.S. Census Bureau** - CTPP/ACS Commuting Data and **Commuting Patterns in Southeast Michigan**

Where Residents Work 5-Yr ACS 2010

Rank	Where Residents Work *	Workers	Percent
1	Royal Oak	6,005	18.3%
2	Detroit	3,895	11.9%
3	Troy	3,285	10%
4	Southfield	2,660	8.1%
5	Madison Heights	1,285	3.9%
6	Warren	1,250	3.8%
7	Birmingham	1,230	3.8%
8	Farmington Hills	960	2.9%
9	Auburn Hills	955	2.9%
10	Dearborn	835	2.5%
-	Elsewhere	10,407	31.8%
* Workers, age 16 and over residing in Royal Oak		32,767	

Source: **U.S. Census Bureau - CTPP/ACS Commuting Data**

Household Incomes

Income	5-Yr ACS2010	Change 2000-2010	Percent Change 2000-2010
Median Household Income (in 2010 dollars)	\$60,184	\$-8,207	-12%
Per Capita Income (in 2010 dollars)	\$37,095	\$-3,467	-8.5%

Source: **U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates**

Annual Household Incomes



Annual Household Income	5-Yr ACS 2010
\$200,000 or more	942
\$150,000 to \$199,999	1,568
\$125,000 to \$149,999	1,849
\$100,000 to \$124,999	2,882
\$75,000 to \$99,999	3,898
\$60,000 to \$74,999	3,074
\$50,000 to \$59,999	2,557
\$45,000 to \$49,999	1,509
\$40,000 to \$44,999	1,239
\$35,000 to \$39,999	1,380
\$30,000 to \$34,999	1,230
\$25,000 to \$29,999	1,473
\$20,000 to \$24,999	1,258
\$15,000 to \$19,999	977
\$10,000 to \$14,999	880
Less than \$10,000	1,613
Total	28,329

Source: U.S. Census Bureau and


**2010 American Community
Survey 5-Year
Estimates**

Poverty

Poverty	Census 2000	% of Total (2000)	5-Yr ACS 2010	% of Total (2010)	% Point Chg 2000- 2010
Persons in Poverty	2,550	4.3%	3,893	6.8%	2.6%
Households in Poverty	1,331	4.6%	2,156	7.6%	3%

Source: **U.S. Census Bureau** and **2010 American Community Survey 5-Year Estimates**

Housing

Link to American Community Survey (ACS) Profiles: **Select a Year****Housing** 2012-2016 

Building Permits 2000 - 2018

Year	Single Family	Two Family	Attach Condo	Multi Family	Total Units	Total Demos	Net Total
2000	12	0	0	0	12	15	-3
2001	17	0	6	0	23	8	15
2002	18	0	7	0	25	14	11
2003	37	0	5	8	50	20	30
2004	43	0	89	183	315	31	284
2005	97	0	0	42	139	38	101
2006	26	4	19	0	49	30	19
2007	22	0	0	0	22	11	11
2008	20	0	0	0	20	15	5
2009	4	0	0	42	46	10	36
2010	11	0	0	37	48	5	43
2011	29	0	0	36	65	14	51
2012	88	0	0	0	88	40	48
2013	132	0	0	24	156	55	101
2014	128	0	0	12	140	82	58
2015	134	0	37	123	294	91	203
2016	96	0	0	0	96	70	26
2017	113	2	18	72	205	82	123
2018	10	0	0	0	10	7	3
2000 to 2018 totals	1,037	6	181	579	1,803	638	1,165

Source: **SEMCOG Development**

Note: Permit data for most recent years may be incomplete and is updated monthly.

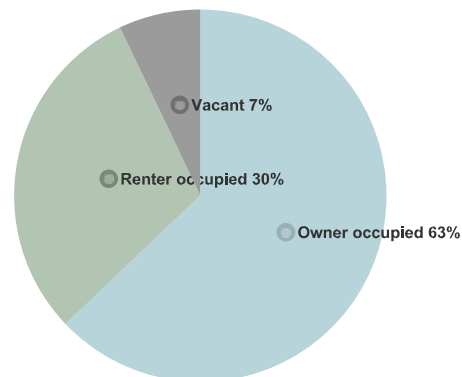
Housing Types

Housing Type	Census 2000	5-Yr ACS 2010	Change 2000-2010	New Units Permitted 2010-2016
Single Family Detached	20,179	20,701	522	618
Duplex	902	653	-249	0
Townhouse / Attached Condo	1,216	1,600	384	37
Multi-Unit Apartment	7,597	7,447	-150	232
Mobile Home / Manufactured Housing	43	162	119	0
Other	5	0	-5	
Total	29,942	30,563	621	887
Units Demolished				-357
Net (Total Permitted Units - Units Demolished)				530

Source: U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates

Housing Tenure

Housing Tenure	Census 2000	Census 2010	Change 2000-2010
Owner occupied	20,246	18,995	-1,251
Renter occupied	8,634	9,068	434
Vacant	1,062	2,144	1,082
Seasonal/migrant	202	126	-76
Other vacant units	860	2,018	1,158
Total Housing Units	29,942	30,207	265

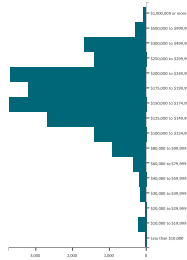


Source: U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates

Housing Value (in 2010 dollars)

Housing Value (in 2010 dollars)	5-Yr ACS 2010	Change 2000-2010	Percent Change 2000-2010
Median housing value	\$177,300	\$-19,824	-10.1%
Median gross rent	\$792	\$-51	-6.1%

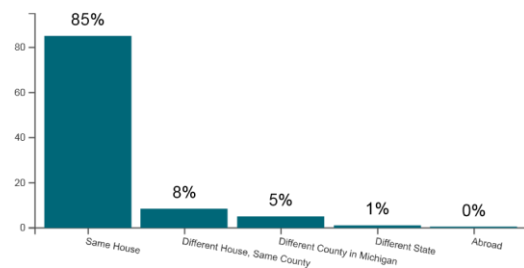
Housing Value



Housing Value	5-Yr ACS 2010
\$1,000,000 or more	70
\$500,000 to \$999,999	291
\$300,000 to \$499,999	1,679
\$250,000 to \$299,999	1,420
\$200,000 to \$249,999	3,687
\$175,000 to \$199,999	3,207
\$150,000 to \$174,999	3,737
\$125,000 to \$149,999	2,686
\$100,000 to \$124,999	1,423
\$80,000 to \$99,999	927
\$60,000 to \$79,999	354
\$40,000 to \$59,999	191
\$30,000 to \$39,999	151
\$20,000 to \$29,999	38
\$10,000 to \$19,999	232
Less than \$10,000	26
Owner-Occupied Units	20,119

Source: U.S. Census Bureau and 2010 American Community Survey 5-Year Estimates

Residence One Year Ago *



* This table represents persons, age 1 and over, living in City of Royal Oak from 2006-2010. The table does not represent person who moved out of City of Royal Oak from 2006-2010.

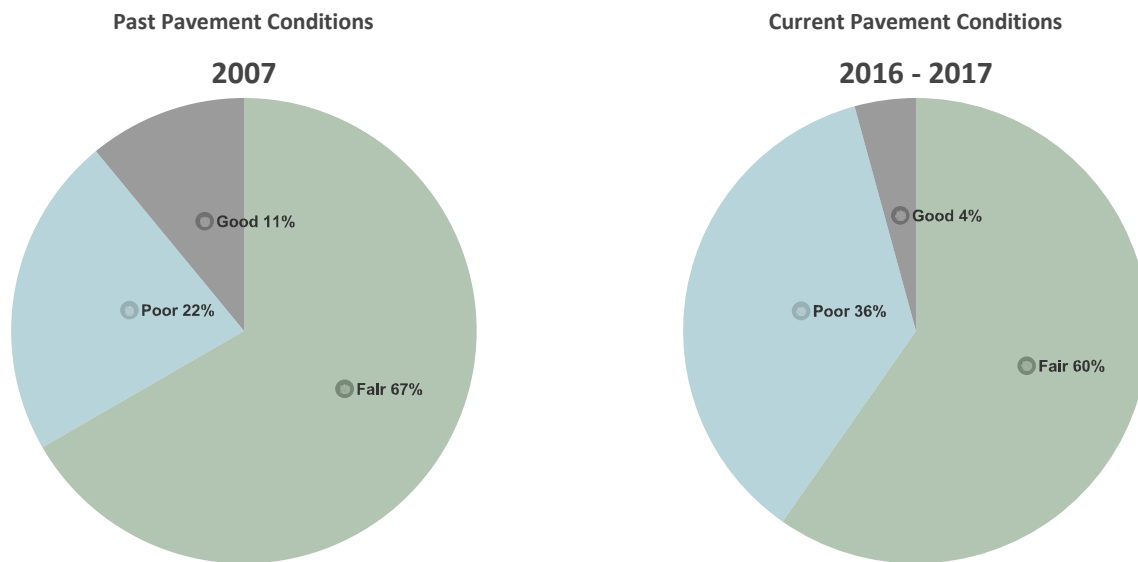
Source: 2010 American Community Survey 5-Year Estimates

Transportation

Miles of public road (including boundary roads): 241

Source: Michigan Geographic Framework

Pavement Condition (in Lane Miles)



Note: Poor pavements are generally in need of rehabilitation or full reconstruction to return to good condition. Fair pavements are in need of capital preventive maintenance to avoid deteriorating to the poor classification. Good pavements generally receive only routine maintenance, such as street sweeping and snow removal, until they deteriorate to the fair condition.

Source: SEMCOG

Bridge Status

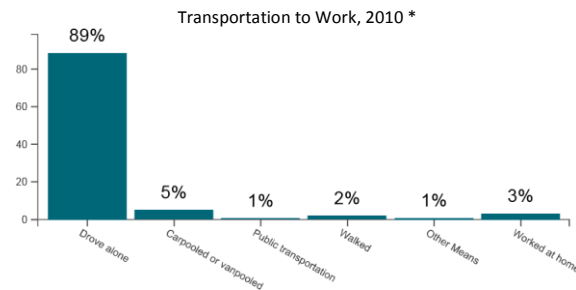
Bridge Status	2008	2008 (%)	2009	2009 (%)	2010	2010 (%)	Percent Point Chg 2008-2010
Open	23	100%	23	100%	42	100%	0%
Open with Restrictions	0	0%	0	0%	0	0%	0%
Closed*	0	0%	0	0%	0	0%	0%
Total Bridges	23	100.0%	23	100.0%	42	100.0%	0.0%
Deficient Bridges	7	30.4%	11	47.8%	12	28.6%	-1.9%

* Bridges may be closed because of new construction or failed condition.

Note: A bridge is considered deficient if it is structurally deficient (in poor shape and unable to carry the load for which it was designed) or functionally obsolete (in good physical condition but unable to support current or future demands, for example, being too narrow to accommodate truck traffic).

Source: Michigan Structure Inventory and Appraisal Database

Detailed Intersection & Road Data



* Resident workers age 16 and over

Transportation to Work

Transportation to Work	Census 2000	Census 2000 (%)	Census 2010	Census 2010 (%)	% Point Chg 2000-2010
Drove alone	30,944	88.6%	29,047	88.6%	-79.7%
Carpooled or vanpooled	1,821	5.2%	1,643	5%	-4.7%
Public transportation	354	1%	207	0.6%	-0.9%
Walked	644	1.8%	641	2%	-1.6%
Other Means	190	0.5%	238	0.7%	-0.4%
Worked at home	981	2.8%	1,025	3.1%	-2.5%
Resident workers age 16 and over	34,934	100.0%	32,801	100.0%	0.0%

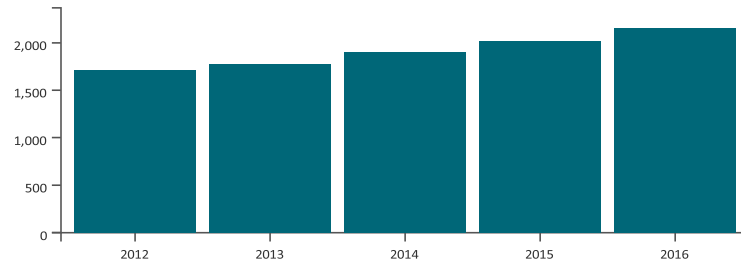
Source: U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates

Mean Travel Time to Work

Mean Travel Time To Work	Census 2000 5-Yr ACS 2010 Change 2000-2010		
For residents age 16 and over who worked outside the home	22.5 minutes	22.5 minutes	0 minutes

Source: U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates

Crashes, 2012-2016



Source: Michigan Department of State Police with the Criminal Justice Information Center and SEMCOG Note: Crash data shown is for the entire city.

Crash Severity

Crash Severity	2012	2013	2014	2015	2016	Percent of Crashes 2012 - 2016
<u>Fatal</u>	1	0	2	1	1	0.1%
<u>Serious Injury</u>	16	21	14	18	11	0.8%
<u>Other Injury</u>	400	386	381	403	450	21.1%
<u>Property Damage Only</u>	1,293	1,365	1,499	1,601	1,691	78%
<u>Total Crashes</u>	1,710	1,772	1,896	2,023	2,153	100%

Crashes by Type

Crashes by Type	2012	2013	2014	2015	2016	Percent of Crashes 2012 - 2016
<u>Head-on</u>	19	12	15	16	12	0.8%
<u>Angle or Head-on/Left-turn</u>	377	366	395	355	375	19.6%
<u>Rear-End</u>	845	839	890	1,013	1,055	48.6%
<u>Sideswipe</u>	247	305	316	343	400	16.9%
<u>Single Vehicle</u>	141	170	177	197	180	9.1%
<u>Backing</u>	N/A	N/A	N/A	0	12	0.1%
<u>Other or Unknown</u>	81	80	103	99	119	5%

Crashes by Involvement

Crashes by Involvement	2012	2013	2014	2015	2016	Percent of Crashes 2012 - 2016
<u>Red-light Running</u>	77	56	83	52	67	3.5%
<u>Lane Departure</u>	125	143	161	170	177	8.1%
<u>Alcohol</u>	59	71	54	90	71	3.6%
<u>Drugs</u>	18	17	14	17	13	0.8%
<u>Deer</u>	3	1	3	6	6	0.2%
<u>Train</u>	0	0	0	0	0	0%
<u>Commercial Truck/Bus</u>	65	63	78	74	84	3.8%
<u>School Bus</u>	2	2	1	1	5	0.1%
<u>Emergency Vehicle</u>	10	9	17	8	10	0.6%
<u>Motorcycle</u>	17	10	10	14	8	0.6%
<u>Intersection</u>	608	566	569	597	584	30.6%
<u>Work Zone</u>	23	21	7	10	38	1%
<u>Pedestrian</u>	16	20	19	15	14	0.9%
<u>Bicyclist</u>	31	18	29	26	16	1.3%
<u>Distracted Driver</u>	0	0	0	0	126	1.3%
<u>Older Driver (65 and older)</u>	282	290	297	351	376	16.7%
<u>Young Driver (16 to 24)</u>	282	665	620	750	718	31.8%

High Frequency Intersection Crash Rankings

Local Rank	County Rank	Region Rank	Intersection	Annual Avg 2012-2016
1	61	152	<u>14 Mile Rd W @ Crooks Rd</u>	28.8
2	86	218	<u>Woodward Ave @ 11 Mile Rd</u>	25.6
3	113	288	<u>11 Mile Rd E @ Stephenson Hwy N</u>	22.8
4	126	324	<u>13 Mile Rd W @ Greenfield Rd</u>	21.6
5	164	433	<u>12 Mile Rd W @ Woodward Ave</u>	19.2
6	185	490	<u>13 Mile Rd W @ Woodward Ave</u>	18.2
7	191	516	<u>14 Mile Rd E @ Rochester Rd</u>	17.8
8	220	604	<u>12 Mile Rd W @ Stephenson Hwy</u>	16.4
9	222	616	<u>12 Mile Rd E @ Campbell Rd</u>	16.2
10	249	709	<u>13 Mile Rd W @ Woodward Ave</u>	15.2

Note: Intersections are ranked by the number of reported crashes, which does not take into account traffic volume.

Crashes reported occurred within 150 feet of the intersection.

Source: **Michigan Department of State Police with the Criminal Justice Information Center and SEMCOG**

High Frequency Road Segment Crash Rankings

Local Rank	County Rank	Region Rank	Segment	From Road - To Road	Annual Avg 2012-2016
1	14	29	Maple Rd W	Orchard Lake Rd - Middlebelt Rd	74
2	44	99	E I 696	E I 696/Hilton Campbell Ramp - Bermuda Mohawk/E I 696 Ramp	54.6
3	57	135	13 Mile Rd W	Woodward Ave - Greenfield Rd	49.4
4	59	137	14 Mile Rd W	Main N - Crooks Rd	49.2
5	63	148	E I 696	Campbell Rd S - E I 696/I 75 Ramp	48
6	85	193	13 Mile Rd W	Greenfield Rd - Southfield Rd	44
7	100	225	Woodward Ave	Coolidge Hwy - 12 Mile Rd W	42
8	169	429	W I 696	Dequindre/W I 696 Ramp - W I 696	32
9	220	554	E I 696	E I 696/I 75 Ramp - S Chrysler/S Stephenson Ramp	29
10	227	569	E I 696	S Chrysler/S Stephenson Ramp - E I 696/N I 75 Ramp	28.6

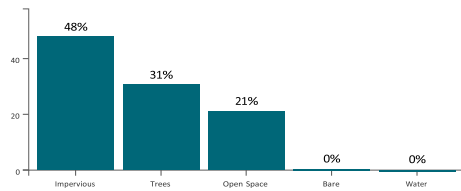
Note: Segments are ranked by the number of reported crashes, which does not take into account traffic volume.

Environment

SEMCOG 2008 Land Use

SEMCOG 2008 Land Use	Acres	Percent
Agricultural	0	0%
Single-family residential	3,724.5	49.2%
Multiple-family residential	217.8	2.9%
Commercial	384.7	5.1%
Industrial	159.6	2.1%
Governmental/Institutional	549.4	7.3%
Park, recreation, and open space	584	7.7%
Airport	0	0%
Transportation, Communication, and Utility	1,937.7	25.6%
Water	5.3	0.1%
Total	7,563	

Note: Land Cover was derived from SEMCOG's 2010 Leaf off Imagery.

Source: **SEMCOG**

SEMCOG

Land Cover in 2010

Type	Description	Acres	Percent
Impervious	buildings, roads, driveways, parking lots	3,620.5	47.8%
Trees	woody vegetation, trees	2,309.8	30.5%
Open Space	agricultural fields, grasslands, turfgrass	1,595.7	21.1%
Bare	soil, aggregate piles, unplanted fields	33.4	0.4%
Water	rivers, lakes, drains, ponds	9.2	0.1%
Total Acres		7,568.6	

Source Data

SEMCOG - Detailed Data